



CITY OF LANSING
Council Chambers
800 1st Terrace
Lansing, KS 66043

COUNCIL AGENDA
Regular Meeting
Thursday, July 21, 2016
7:00 P.M.

WELCOME TO YOUR CITY COUNCIL MEETING

Regular meetings are held on the first and third Thursday of each month at 7 pm and are televised on Cable Television Channel 2 on Monday 7 pm, Tuesday 10 am & 7 pm, Friday 5 pm, Saturday 1 pm and Sunday 7 pm.

Any person wishing to address the City Council, simply proceed to the microphone in front of the dais after the agenda item has been introduced and wait to be recognized by the Mayor. When called upon, please begin by stating your name and address. A time designated "Audience Participation" is listed on the agenda for any matter that does not appear on this agenda. The mayor will call for audience participation. Please be aware that the city council and staff may not have had advance notice of your topic and that the city council may not be able to provide a decision at the meeting. If you require any special assistance, please notify the city clerk prior to the meeting.

Call To Order

Pledge of Allegiance

Roll Call

OLD BUSINESS:

1. Approval of Minutes

NEW BUSINESS:

Audience Participation

Presentations

Council Consideration of Agenda Items:

2. Treasurer's Report for Quarter Ending June 30, 2016
3. Ordinance No. 966 – Authorizing and Providing for the Issuance of General Obligation Refunding and Improvement Bonds, Series 2016-A
4. Resolution No. B-3-16 – A Resolution Prescribing the Form and Details of and Authorizing and Directing the Sale and Delivery of General Obligation Refunding and Improvement Bonds, Series 2016-A
5. Modification of Contract for Professional Services – Lansing Middle School
6. Executive Session – Economic Development

Reports:

City Attorney; City Engineer; City Administrator; Councilmembers

Proclamations

Other Items of Interest:

7. Department Vehicle and Equipment Mileage Reports

Adjournment

AGENDA SUMMARY

TO: Tim Vandall, City Administrator

FROM: Sarah Bodensteiner, City Clerk

DATE: July 14, 2016

SUBJECT: Agenda Summary

Call To Order

Pledge of Allegiance

Roll Call

OLD BUSINESS:

1. Approval of Minutes

The regular meeting minutes of July 7th, 2016, are attached.

- **ACTION:** A motion to approve the regular meeting minutes of July 7th, 2016, as presented.

NEW BUSINESS:

Audience Participation

Presentations:

Items for Council Consideration:

2. Treasurer's Report for Quarter Ending June 30, 2016

- The Treasurer's report for quarter ending June 30, 2016 is included for your review
- **ACTION:** A motion to approve the Treasurer's Report for the quarter ending June 30th, 2016, as presented.

3. Ordinance No. 966 – Authorizing and Providing for the Issuance of General Obligation Refunding and Improvement Bonds, Series 2016-A

- This ordinance authorizes the issuance of the 2016-A general obligation bonds.
- **ACTION:** A motion to adopt Ordinance No. 966.

4. Resolution No. B-3-16 – A Resolution Prescribing the Form and Details of and Authorizing and Directing the Sale and Delivery of General Obligation Refunding and Improvement Bonds, Series 2016-A

- This resolution directs the sale and delivery of the 2016-A general obligation bonds.
- **ACTION:** A motion to adopt Resolution No. B-3-16.

5. Modification of Contract for Professional Services – Lansing Middle School

- The Principal Engineer for Design Energy Group has advised that construction on the Middle School is expected to extend until late July or early August and that it is necessary to modify the compensation section of the contract.
- Due to the extended time frame, additional time on site is required and as such Design Energy Group has estimated additional expenses to be \$3,000.00.
- Permit Fee revenues cover the entirety of the contract, including the additional expenses.
- **ACTION:** A motion to modify the compensation section of the prior contract of Professional Services of Design Energy Group for the Lansing High School and Lansing Middle School to increase the maximum not to exceed amount by \$3,000.00 for a total of \$147,613.00.

6. Executive Session – Economic Development

- **MOTION:** To recess into executive session for economic development purposes to discuss confidential data relating to the financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorship for _____ minutes, beginning at _____ PM and returning at _____ PM.

Reports: City Attorney; City Engineer; City Administrator; Councilmembers

Proclamations

Other Items of Interest:

7. Department Vehicle and Equipment Mileage Reports

Adjournment

AGENDA ITEM

TO: Tim Vandall, City Administrator

FROM: Sarah Bodensteiner, City Clerk

DATE: July 13, 2016

SUBJECT: Approval of Minutes

The regular meeting minutes for July 7, 2016, are enclosed for your review.

Action: Staff recommends a motion to approve the regular meeting minutes for July 7, 2016, as presented.

AGENDA ITEM #

Call To Order:

The regular meeting of the Lansing City Council was called to order by Mayor Gene Kirby at 7:00 p.m.

Roll Call:

Mayor Gene Kirby called the roll and indicated which councilmembers were in attendance.

Councilmembers Present:

Ward 1: Kevin Gardner and Dave Trinkle
Ward 2: Andi Pawlowski and Don Studnicka
Ward 3: Jesse Garvey and Kerry Brungardt
Ward 4: Tony McNeill and Gregg Buehler

Councilmembers Absent:

OLD BUSINESS:

Approval of Minutes: Councilmember Trinkle moved to approve the regular meeting minutes of June 16, 2016, as presented. Councilmember Buehler seconded the motion. The motion was unanimously approved.

NEW BUSINESS:

Audience Participation: Mayor Kirby called for audience participation and there was none.

Presentation: Lansing Connection Survey Results: Public Information Officer Ken Miller presented the survey results of the Lansing Connection, which is our quarterly newsletter that goes out 4 times a year. The survey was conducted via Survey Monkey which is an online survey tool, and the survey was made available in late April through late May. The survey link was sent directly to about 700 residents and businesses in town, it was placed in the Friday E-Blast for 4 weeks running, posted on the Facebook and Twitter pages, and a hard copy version was placed in the Lansing Connection. The Connection is mailed to about 5,300 addresses throughout Lansing and about 5,600 copies are printed. The total response numbers for the survey was 88, so from a survey sample size, it was not a huge pool, but enough to gather the data as requested. Of the responses about 80% have read the Connection in the past year, and of that, the majority of responders read the Connection in hard copy format. If the newsprint version was no longer available 58% of responders stated they would seek the online version of the Lansing Connection. The 3 top communication tools used by the City and ranked by the responders are Facebook, the Friday E-Blast, and the emailed news releases. The Facebook page is more a passive form of communication in that the City is not pushing information onto residents, whereas with the E-Blast and new releases, those are being sent to individuals who have signed up for the communications. The City does have about 5 or 6 Facebook pages, for Parks dept., Library, Museum, Police, etc. The City provides the opportunity for residents to sign up for the email blasts when they open their Utility Account. Along with the Facebook pages, the City website, the Lansing Connection, Twitter, and news releases, the City also provides information on upcoming events on Channel 2, the PRIDE sign, messages on the utility bills, and through articles in the Leavenworth Times. Based on the results from the survey, the recommendation provided is to conduct another survey and if the number of responses do not improve consider not printing the Connection in 2017 and only providing an online version.

COUNCIL CONSIDERATION OF AGENDA ITEMS:

Ordinance No. 965 – Amending the Lansing Zoning Ordinance: Councilmember Trinkle moved to adopt Ordinance No. 965, amending the City of Lansing Zoning Ordinance. Councilmember Buehler seconded the motion.

- Councilmember Pawlowski stated I read this and I read the minutes and one of the commission members had a question about whether not he'd be able to have a grooming business in his garage and I went back and looked at this and we're only amending B-3 and I-1, so he wouldn't be able to have it in his garage.
 - Community and Economic Development Director Stefanie Leif stated that would not be affected by these changes, what he would be able to do would be to apply for home occupation special use permit, and then we would analyze if that was an appropriate use for a home occupation.
 - Councilmember Pawlowski asked but we're not changing the residential.
 - Community and Economic Development Director Stefanie Leif replied no that would not be affected by this, this is just the commercial business and industrial zone.
- Councilmember Garvey stated whether it was residential, or business, or industrial, we could approve or deny it either way even though we are amending it.
 - Councilmember Pawlowski stated because it's conditional.
 - Community and Economic Development Director Stefanie Leif replied it would be conditional, exactly. If there were some specific reasons why a site does not work or a particular business is not going to work at that site, then that would be grounds to look into that and not approve it. And that's why I proposed to do it conditionally, so that the Commission and the Council would have the opportunity to look at every application and evaluate it.

The motion was unanimously approved.

LCF Wastewater Services Extension: Councilmember Trinkle moved to approve the Wastewater Utility Rate Extension with LCF effective July 1, 2016 to August 4, 2016. Councilmember Pawlowski seconded the motion.

- Councilmember Buehler asked are they going to sign this one, does it look like they are going to sign this one, because this is their second extension.
 - Mayor Kirby stated I will tell you that truly by coincidence, I ran into Senator Fitzgerald this morning who was under the assumption that this was a done deal, he was shocked to hear that it wasn't. So we had a brief discussion and he agreed that in his thought we were being fair and reasonable and then this afternoon we got invited to a meeting in Topeka, hopefully to come to terms on a long term agreement; and this is going to happen in the next couple of weeks.
 - City Administrator Tim Vandall replied we're looking at July 22, or July 25, or the 27th, so we've got a few dates for meetings lined up. I feel like at the local level they are making an effort as far as the reason for this extension, they talked about how there is a new Secretary of Corrections in Topeka, there's a new Warden, and also lots of people are coming in and out, going on vacation, things like that, and that's something the City struggles with in the summer too. Financially, CPI was very minimal this year, it's frustrating that this is the second extension, but financially it's not, it's a negligible impact.

The motion was unanimously approved.

REPORTS:

City Attorney: City Attorney had nothing to report.

City Engineer: City Engineer has nothing to report.

City Administrator: City Administrator Tim Vandall mentioned that Lan-Del's engineer is working on plans for getting the water line out to Bernard Park, no timeline has been provided, but we have been notified that they are working on that actively. We hope to get the contractor out to West Mary Street shortly, and as there are no formal engineering blueprints for the slope failure resolution, the Public Works Director and City Engineer will be closely monitoring and involved in the process. The goal is to have the slope issue resolved before school begins in August, but that is always dependent on the weather and schedules. The wastewater project is moving along and the Wastewater Utility Director can brief the Council of its progress at a future meeting. Sale tax options were included in the City Administrator Report and at a quarter percent, that would generate about \$200,000.00 a year and it can be dedicated to a certain thing, but it would have to sunset after 10 years, whereas if it's kept as general sales tax it does not have a limit. It would need to be approved by the voters. This item will be presented at the work session in August.

Governing Body: Councilmember Pawlowski mentioned that the Fire District budget meeting is Monday, July 11, 2016 at 7:00 p.m. and advised that several people are attending.

Councilmember Garvey stated the fireworks display and turnout were awesome and suggested a bigger parking lot or other parking options for next year. The event was a success and the dunk tank was a success as well and raised a good amount of money for good causes.

Councilmember Buehler asked if there was a rough estimate of attendance numbers from the event.

- Community and Economic Development Director Stefanie Leif replied that over 1,000 cars were parked in the field, so she's estimating around 3,000 or 4,000 attendees.

Councilmember Buehler provided a fun fact, on this day in history, Henry Kaiser began construction in 1930 of the Boulder Dam, which was renamed the Hoover Dam when it was dedicated by FDR in 1935.

Councilmember McNeill confirmed that the agenda for Council Meetings is posted in the Document Center under City Council Agendas on the City Website. He also asked if parking at the High School and bussing over to the park for the fireworks show is something that can be looked into for next year so more people can attend and get into the park for the show and also help alleviate some of the traffic after the event.

Councilmember Brungardt commented that he receives so many positive comments about the Library and the connection the Library has in the community and the services it provides. He also stated the volunteers do an outstanding job and wanted to pass that along to Library Director Terri Wojtalewicz.

Councilmember Studnicka stated the fireworks show was great and thanked the staff for their hard work in putting the event together and working it. He stated he's received a lot of comments from people who don't live in Lansing who had only positive things to say about the show.

Councilmember Trinkle thanked the Klemp family for their generosity in donating the dunk tank and the Economic Development Department for their efforts in putting together the show.

- Mayor Kirby stated that the dunk tank raised over \$350.00 in 3 hours.

Councilmember Trinkle thanked city staff for their hard work on the event and he's received many compliments and comments on the show.

Mayor Kirby thanked those named by previous Councilmembers for their efforts on the Fireworks show. He also thanked the Fire District for their assistance with the dunk tank and traffic after the event. He noted that money raised by the dunk tank would be split between KU Medical Center Breast Cancer Research and the Mayor's Christmas Tree Fund. He also thanked those who took turns in the dunk tank.

Councilmember Gardner thanked Ken Miller for collecting the data on the survey regarding the Lansing Connection, he thanked the city staff and police department for their help and hard work in making the event a success, he also thanked the Fire District for the help with the event and the dunk tank. He mentioned that the Tree Board is moving forward with its plans to have an arboretum in Lansing and will be gathering more information to present in the future.



ADJOURNMENT: Councilmember Gardener moved to adjourn. Councilmember Pawlowski seconded the motion. The motion was unanimously approved. The meeting was adjourned at 7:35 p.m.

ATTEST:

Louis E. Kirby, Mayor

Sarah Bodensteiner, City Clerk

AGENDA ITEM

TO: Tim Vandall, City Administrator 
FROM: Elizabeth Sanford, Director of Finance 
DATE: July 12, 2016
SUBJECT: Treasurer's Report for Quarter Ending June 30, 2016

Please find the Treasurer's Report for the second quarter (April through June 30, 2016) attached for your review. This report is published quarterly in accordance with KSA 12-1608, 12-1609.

Action:

Staff recommends a motion to approve the Treasurer's Report for the quarter ending June 30, 2016 as presented.



CITY OF LANSING
TREASURER'S REPORT - QUARTER ENDING JUNE 30, 2016

Fund Name	Fund Number	Unencumbered Cash Balance 3/31/16 DR / (CR)	Receipts	Disbursements	Audit Adj. & Net Encumb. Liquidated 6/30/16	Unencumbered Fund Balance 6/30/16 DR / (CR)	Add Reserves, Account Payable, and Encumbrances	Subtract Receivables, Other Assets, and Net Fixed Assets	Treasurer's Cash Balance 6/30/16
General:	10	1,842,662.55	1,604,686.11	1,380,103.71	16,684.92	2,050,560.03	148,271.29	13,887.33	2,184,943.97
Special Revenue:									
Library	20	104,319.83	77,435.99	62,669.38	0.00	119,086.44	5,824.93	0.00	124,911.36
Consolidated Street & Highway	22	320,184.69	117,174.16	93,628.69	0.00	343,730.16	6,530.15	0.00	350,260.32
Special Parks & Recreation	23	294,446.90	25,426.16	48,655.62	0.00	271,217.44	0.00	0.00	271,217.44
Special Alcoholic Liquor	24	16,435.11	2,803.17	793.67	0.00	18,444.61	0.00	0.00	18,444.61
KS Regional Prisons Museum	62	136,951.32	10.50	0.00	0.00	136,961.82	0.00	0.00	136,961.82
Hillbrook Subdivision Escrow	66	20,000.00	0.00	0.00	0.00	20,000.00	0.00	0.00	20,000.00
Agency:									
Bonds Posted	41	0.00	0.00	0.00	0.00	0.00	9,549.36	0.00	9,549.36
Park Land Trust	59	16,000.00	19,200.00	0.00	0.00	35,200.00	0.00	0.00	35,200.00
Mayor's Christmas	61	8,908.03	119.00	0.00	0.00	9,027.03	0.00	0.00	9,027.03
Transient Guest Tax	63	108,841.33	20,987.11	67,125.87	0.00	62,702.57	0.00	0.00	62,702.57
Facilities Renovation	73	0.00	0.00	0.00	0.00	0.00	56,393.20	0.00	56,393.20
Debt Service:									
Bond & Interest	40	6,443,135.98	736,620.11	7,496.33	5,235,247.26	1,937,012.50	0.00	0.00	1,937,012.50
Enterprise:									
Wastewater Utility	50	15,432,191.03	659,517.25	509,384.77	314,966.31	15,267,357.20	273,109.37	14,005,855.40	1,534,611.16
Solid Waste Utility	51	534,165.26	131,936.92	137,674.72	31,292.20	497,135.26	3.48	205,322.39	291,816.35
Investment Fixed Assets	90	3,992,316.82	0.00	0.00	0.00	3,992,316.82	0.00	3,992,316.82	0.00
Capital Projects:									
Capital Projects Fund	70	222,260.64	175,128.20	36,259.35	0.00	361,129.49	0.00	0.00	361,129.49
Equipment Reserve Fund	80	115,231.80	151,824.79	115,661.01	0.00	151,395.58	0.00	0.00	151,395.58
Police Equipment Reserve Fund	45	25,745.56	1,484.50	0.00	0.00	27,230.06	0.00	0.00	27,230.06
147th St/9B Interceptor Fund	79	31,914.98	0.00	0.00	0.00	31,914.98	0.00	0.00	31,914.98
7 Mile Creek Project Fund	82	2,126,507.06	0.00	686,049.62	0.00	1,440,457.44	0.00	0.00	1,440,457.44
Total All Funds		31,792,218.89	3,724,353.97	3,145,502.74	5,598,190.69	26,772,879.43	499,681.78	18,217,381.94	9,055,179.24

STATEMENT OF BOND INDEBTEDNESS				
Bonds	General Obligation		Waste Water Revenue	Total
	Improvement	Revolving Loans		
Outstanding as of 4/1/16	\$ 20,030,000	\$ -	\$ -	\$ 20,030,000
Retired	-	-	-	-
Issued	-	-	-	-
Refunded	-	-	-	-
Outstanding as of 6/30/16	\$ 20,030,000	\$ -	\$ -	20,030,000
Temporary Notes	\$ 4,450,000			4,450,000
Total Outstanding 6/30/16				\$ 24,480,000

*Published quarterly in accordance with KSA 12-1608, 12-1609 - Elizabeth Sanford, Director of Finance.

AGENDA ITEM

TO: Tim Vandall, City Administrator 
FROM: Beth Sanford, Finance Director 
DATE: July 13, 2016
SUBJECT: Ordinance No. 966 - Authorizing and Providing for the Issuance of General Obligation Refunding and Improvement Bonds, Series 2016-A, of the City of Lansing, Kansas; Providing for the Levy and Collection of an Annual Tax for the Purpose of Paying the Principal of and Interest on Said Bonds as they become due; Authorizing certain other Documents and Actions in Connection Therewith; and Making Certain Covenants with Respect thereto.

Bond Counsel, Gilmore & Bell, has prepared Ordinance No. 966 requesting that the City Council authorize and provide for the issuance of General Obligation Refunding Bonds, Series 2016-A, of the City of Lansing, Kansas; provide for the levy and collection of an annual tax for the purpose of paying the principal of and interest on said bonds as they become due; authorize certain other documents and actions in connection therewith; and make certain covenants with respect thereto.

Several items have intentionally been left blank. Once the sale of the bonds occurs, the document will be completed and will be available at the council meeting.

Staff, the City's Bond Counsel, Ms. Riekhof, and/or Mr. Avey (a representative from Piper Jaffray) will be present to answer questions.

Action:

Staff recommends a motion to adopt Ordinance No. 966.

AGENDA ITEM

3

ORDINANCE NO. 966

OF

THE CITY OF LANSING, KANSAS

PASSED

JULY 21, 2016

**GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS
SERIES 2016-A**

ORDINANCE NO. 966

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016-A, OF THE CITY OF LANSING, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

WHEREAS, the City of Lansing, Kansas (the “City”) is a city of the second class, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, by proceedings duly had, the governing body of the City (the “Governing Body”) has authorized the following improvements (the “Improvements”) to be made in the City, to-wit:

<u>Project Description</u>	<u>Ord./Res. No.</u>	<u>Authority</u>	<u>Allocable Principal Amount</u>
9 Mile Sewer Project	964	K.S.A. 12-619, 12-624 and 12-631a	\$ _____
7 Mile Creek Sewer Project	947	K.S.A. 12-619, 12-624 and 12-631a	_____

WHEREAS, the Governing Body is authorized by law to issue general obligation bonds of the City to pay a portion of the costs of the Improvements; and

WHEREAS, the City previously issued and has outstanding the Refunded Bonds and is authorized by K.S.A. 10-427 *et seq.* to issue general obligation refunding bonds of the City for the purpose of refunding the Refunded Bonds; and

WHEREAS, in order to achieve interest cost savings through early redemption of the Refunded Bonds and provide an orderly plan of finance for the City, it has become desirable and in the best interest of the City and its inhabitants to refund the Refunded Bonds; and

WHEREAS, the Governing Body has advertised the sale of the Bonds in accordance with the law and at a meeting held in the City on this date, awarded the sale of such Bonds to the best bidder.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF LANSING, KANSAS, AS FOLLOWS:

Section 1. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms in this Ordinance shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“**Act**” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-427 *et seq.*, K.S.A. 10-620 *et seq.*, K.S.A. 12-619, K.S.A. 12-624 and K.S.A. 12-631a, all as amended and supplemented from time to time.

“Bond and Interest Fund” means the Bond and Interest Fund of the City for its general obligation bonds.

“Bond Resolution” means the resolution to be adopted by the Governing Body prescribing the terms and details of the Bonds and making covenants with respect thereto.

“Bonds” means the City’s General Obligation Refunding and Improvement Bonds, Series 2016-A, dated August 10, 2016, authorized by this Ordinance.

“City” means the City of Lansing, Kansas.

“Clerk” means the duly appointed and acting Clerk of the City or, in the Clerk’s absence, the duly appointed Deputy or Acting Clerk.

“Governing Body” means the City Council of the City.

“Improvements” means the improvements referred to in the preamble to this Ordinance and any Substitute Improvements.

“Mayor” means the duly elected and acting Mayor of the City or, in the Mayor’s absence, the duly appointed and/or elected Vice Mayor or Acting Mayor of the City.

“Ordinance” means this Ordinance authorizing the issuance of the Bonds.

“Refunded Bonds” means the Series 2006-A Bonds maturing in the years 2017 to 2021, inclusive, in the aggregate principal amount of \$1,655,000.

“Refunded Bonds Redemption Date” means September 1, 2016.

“Refunded Notes” means the Series 2015-1 Notes maturing on September 1, 2016 in the aggregate principal amount of \$4,450,000.

“Series 2006-A Bonds” means the City’s General Obligation Refunding and Improvement Bonds, Series 2006-A, dated March 15, 2006.

“Series 2015-1 Notes” means the City’s General Obligation Temporary Notes, Series 2015-1, dated September 10, 2015.

“State” means the State of Kansas.

“Substitute Improvements” means the substitute or additional improvements of the City authorized in the manner set forth in the Bond Resolution.

Section 2. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the General Obligation Refunding and Improvement Bonds, Series 2016-A, of the City in the principal amount of \$[PRINCIPAL AMOUNT], for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; (b) refund the Refunded Bonds; (c) pay costs of issuance of the Bonds; and (d) retire the Refunded Notes.

Section 3. Security for the Bonds. The Bonds shall be general obligations of the City payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 4. Terms, Details and Conditions of the Bonds. The Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued and delivered in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Bond Resolution hereafter adopted by the Governing Body.

Section 5. Levy and Collection of Annual Tax. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by levying and collecting the necessary taxes upon all of the taxable tangible property within the City in the manner provided by law.

The taxes above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the City are levied and collected, shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the City and to reimburse said general funds for money so expended when said taxes are collected.

Section 6. Further Authority. The Mayor, Clerk and other City officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 7. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Governing Body, approval by the Mayor and publication of the Ordinance or a summary thereof in the official City newspaper.

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PASSED by the Governing Body on July 21, 2016 and **APPROVED AND SIGNED** by the Mayor.



(SEAL)

Mayor

ATTEST:

Clerk

AGENDA ITEM

TO: Tim Vandall, City Administrator 
FROM: Beth Sanford, Finance Director 
DATE: July 13, 2016
SUBJECT: Resolution No. B-3-16 - A Resolution Prescribing the Form and Details of and Authorizing and Directing the Sale and Delivery of General Obligation Refunding and Improvement Bonds, Series 2016-A, of the City of Lansing, Kansas, Previously Authorized by Ordinance No. 966 of the Issuer; Making Certain Covenants and Agreements to Provide for the Payment and Security Thereof; and Authorizing Certain Other Documents and Actions Connected Therewith.

Bond Counsel, Gilmore & Bell, has prepared Resolution B-3-16, requesting that the City Council authorize a Resolution authorizing and directing the sale and delivery of General Obligation Refunding and Improvement Bonds, Series 2016-A, of the City of Lansing, Kansas, previously authorized by Ordinance No. 966.

Several items have intentionally been left blank. Once the sale of the bonds occurs, the document will be completed and will be available at the council meeting.

The City's Bond Counsel, Ms. Riekhof, and/or Mr. Avey (a representative from Piper Jaffray) will be present to answer questions.

Action:

Staff recommends a motion to adopt Resolution No. B-3-16.

RESOLUTION NO. B-3-16

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016-A, OF THE CITY OF LANSING, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 966 OF THE ISSUER; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the City of Lansing, Kansas (the “Issuer”) has previously passed the Ordinance authorizing the issuance of the Bonds; and

WHEREAS, the Ordinance authorized the governing body of the Issuer (the “Governing Body”) to adopt a resolution prescribing certain details and conditions and to make certain covenants with respect to the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LANSING, KANSAS, AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“**Act**” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-427 *et seq.*, K.S.A. 10-620 *et seq.*, K.S.A. 12-619, K.S.A. 12-624 and K.S.A. 12-631a, all as amended and supplemented from time to time.

“**Authorized Denomination**” means \$5,000 or any integral multiples thereof.

“**Beneficial Owner**” of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

“**Bond and Interest Fund**” means the Bond and Interest Fund of the Issuer for its general obligation bonds.

“**Bond Counsel**” means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

“**Bond Payment Date**” means any date on which principal of or interest on any Bond is payable.

“Bond Register” means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

“Bond Registrar” means the State Treasurer, and any successors and assigns.

“Bond Resolution” means this resolution relating to the Bonds.

“Bonds” means the General Obligation Refunding and Improvement Bonds, Series 2016-A, authorized and issued by the Issuer pursuant to the Ordinance and this Bond Resolution.

“Business Day” means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“Cede & Co.” means Cede & Co., as nominee of DTC and any successor nominee of DTC.

“City” means the City of Lansing, Kansas.

“Clerk” means the duly appointed and/or elected Clerk or, in the Clerk’s absence, the duly appointed Deputy Clerk or Acting Clerk of the Issuer.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

“Costs of Issuance” means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

“Dated Date” means August 10, 2016.

“Debt Service Account” means the Debt Service Account for General Obligation Refunding and Improvement Bonds, Series 2016-A created within the Bond and Interest Fund pursuant to **Section 501** hereof.

“Debt Service Requirements” means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

“Defaulted Interest” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“Defeasance Obligations” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

"Derivative" means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

"Disclosure Undertaking" means the Issuer's Omnibus Continuing Disclosure Undertaking, as may be amended and supplemented, relating to certain obligations contained in the SEC Rule.

"DTC" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

"DTC Representation Letter" means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

"Event of Default" means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution (other than the covenants relating to continuing disclosure requirements contained herein and in the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

“Federal Tax Certificate” means the Issuer’s Federal Tax Certificate dated as of the Issue Date, as the same may be amended or supplemented in accordance with the provisions thereof.

“Financeable Costs” means the amount of expenditure for an Improvement which has been duly authorized by action of the Governing Body to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

“Fiscal Year” means the twelve month period ending on December 31.

“Funds and Accounts” means funds and accounts created pursuant to or referred to in *Section 501* hereof.

“Governing Body” means the City Council of the Issuer.

“Improvement Fund” means the Improvement Fund for General Obligation Refunding and Improvement Bonds, Series 2016-A created pursuant to *Section 501* hereof.

“Improvements” means the improvements referred to in the preamble to the Ordinance and any Substitute Improvements.

“Independent Accountant” means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

“Interest Payment Date(s)” means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2017.

“Issue Date” means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

“Issuer” means the City and any successors or assigns.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

“Mayor” means the duly elected and acting Mayor, or in the Mayor’s absence, the duly appointed and/or elected Vice Mayor or Acting Mayor of the Issuer.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“Notice Address” means with respect to the following entities:

(a) To the Issuer at:

City of Lansing, Kansas
Attn: City Clerk
800 First Terrace
Lansing, Kansas 66043
Fax: (913) 828-4579

(b) To the Paying Agent at:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235
Fax: (785) 296-6976

(c) To the Purchaser:

[_____

Fax: _____]

(d) To the Rating Agency(ies):

Moody’s Municipal Rating Desk
7 World Trade Center
250 Greenwich Street
23rd Floor
New York, New York 10007

or such other address as is furnished in writing to the other parties referenced herein.

“Notice Representative” means:

- (a) With respect to the Issuer, the Clerk.
- (b) With respect to the Bond Registrar and Paying Agent, the Director of Bond Services.
- (c) With respect to any Purchaser, the manager of its Municipal Bond Department.
- (d) With respect to any Rating Agency, any Vice President thereof.

“Official Statement” means Issuer’s Official Statement relating to the Bonds.

“Ordinance” means Ordinance No. 966 of the Issuer authorizing the issuance of the Bonds, as amended from time to time.

“Outstanding” means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of this Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means the State Treasurer, and any successors and assigns.

“Permitted Investments” shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer’s temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody’s or Standard & Poor’s; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

“Person” means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Purchase Price” means the principal amount of the Bonds plus accrued interest to the date of delivery[, plus a premium of \$_____, less an underwriting discount of \$_____].

“Purchaser” means [_____, _____, _____], the original purchaser of the Bonds, and any successor and assigns.

“Rating Agency” means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

“Rebate Fund” means the Rebate Fund for General Obligation Refunding and Improvement Bonds, Series 2016-A created pursuant to *Section 501* hereof.

“Record Dates” for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Redemption Date” means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

“Redemption Fund” means the Redemption Fund created pursuant to *Section 501* hereof.

“Redemption Price” means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Refunded Bonds” means the Series 2006-A Bonds maturing in the years 2017 to 2021, inclusive, in the aggregate principal amount of \$1,655,000.

“Refunded Bonds Paying Agent” means the paying agent for the Refunded Bonds as designated in the Refunded Bonds Resolution, and any successor or successors at the time acting as paying agent of the Refunded Bonds.

“Refunded Bonds Redemption Date” means September 1, 2016.

“Refunded Bonds Resolution” means each ordinance and resolution which authorized the Refunded Bonds.

“Refunded Notes” means the Series 2015-1 Notes maturing on September 1, 2016 in the aggregate principal amount of \$4,450,000.

“Refunded Notes Paying Agent” means the paying agent for the Refunded Notes as designated in the Refunded Notes Resolution, and any successor or successors at the time acting as paying agent of the Refunded Notes.

“Refunded Notes Redemption Date” means September 1, 2016.

“Refunded Notes Resolution” means the resolution which authorized the Refunded Notes.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Bonds in accordance with *Section 210* hereof.

“SEC Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

“Securities Depository” means, initially, DTC, and its successors and assigns.

“Series 2006-A Bonds” means the City’s General Obligation Refunding and Improvement Bonds, Series 2006-A, dated March 15, 2006.

“Series 2015-1 Notes” means the City’s General Obligation Temporary Notes, Series 2015-1, dated September 10, 2015.

“Special Record Date” means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

“Standard & Poor’s” or “S&P” means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor’s shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“State” means the state of Kansas.

“State Treasurer” means the duly elected Treasurer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“Substitute Improvements” means the substitute or additional improvements of the Issuer described in *Article V* hereof.

[**“Term Bonds”** means the Bonds scheduled to mature in the year 20__ and 20__.]

[**“20__ Term Bonds”** means the Bonds scheduled to mature in the year 20__.]

[**“20__ Term Bonds”** means the Bonds scheduled to mature in the year 20__.]

“Treasurer” means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

“United States Government Obligations” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Bonds. The Bonds have been previously authorized and directed to be issued pursuant to the Ordinance in the principal amount of \$[PRINCIPAL AMOUNT], for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; (b) refund the Refunded Bonds; (c) pay Costs of Issuance; and (d) retire the Refunded Notes.

Section 202. Description of the Bonds. The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in *Article III* hereof, and shall bear interest at the rates per annum as follows:

SERIAL BONDS

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>	<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2017	\$ _____	_____ %	2027	\$ _____	_____ %
2018	_____	_____ %	2028	_____	_____ %
2019	_____	_____ %	2029	_____	_____ %
2020	_____	_____ %	2030	_____	_____ %
2021	_____	_____ %	2031	_____	_____ %
2022	_____	_____ %	2032	_____	_____ %
2023	_____	_____ %	2033	_____	_____ %
2024	_____	_____ %	2034	_____	_____ %
2025	_____	_____ %	2035	_____	_____ %
2026	_____	_____ %	2036	_____	_____ %

[TERM BONDS]

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
20__	\$ _____	_____ %
20__	_____	_____ %]

The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in *Section 204* hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as *EXHIBIT A* or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond

Registrar with respect to the registration, transfer and exchange of Bonds. The Mayor of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 206. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this *Article II*.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the Clerk, and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Mayor and Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Clerk, which registration shall be evidenced by the manual or facsimile signature of the Clerk with the seal of the Issuer affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Mayor and Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as **EXHIBIT A** hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

Section 208. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

Section 209. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Book-Entry Bonds; Securities Depository. The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar

or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in an Authorized Denominations and form as provided herein.

Section 211. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 212. Preliminary and Final Official Statement. The Preliminary Official Statement dated July 11, 2016, is hereby ratified and approved.

The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor and chief financial officer of the Issuer are hereby authorized to execute the Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the Issue Date.

The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of the SEC Rule and Rule G-32 of the Municipal Securities Rulemaking Board.

Section 213. Sale of the Bonds. The sale of the Bonds to the Purchaser is hereby ratified and confirmed. The Mayor and Clerk are hereby authorized to execute the official bid form submitted by the Purchaser. Delivery of the Bonds shall be made to the Purchaser on the Issue Date (which

shall be as soon as practicable after the adoption of this Bond Resolution), upon payment of the Purchase Price.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 2025, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on September 1, 2024, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

[Mandatory Redemption.] (a) 20__ Term Bonds. The 20__ Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 20__ Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$ _____	20__
_____	20__*

*Final Maturity

(b) 20__ Term Bonds. The 20__ Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 20__ Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$ _____	20__
_____	20__*

*Final Maturity

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof

whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the Issuer under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity as designated by the Issuer, and the principal amount of Term Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.]

Section 302. Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. [The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Term Bonds hereunder, and Term Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.]

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the State Treasurer. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and
- (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. Further notice may be given by the Issuer or the Bond Registrar

on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for the Bonds. The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 402. Levy and Collection of Annual Tax; Transfer to Debt Service Account. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Improvement Fund for General Obligation Refunding and Improvement Bonds, Series 2016-A.
- (b) Redemption Fund.
- (c) Debt Service Account for General Obligation Refunding and Improvement Bonds, Series 2016-A (within the Bond and Interest Fund).
- (d) Rebate Fund for General Obligation Refunding and Improvement Bonds, Series 2016-A.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

Section 502. Deposit of Bond Proceeds. The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

- (a) All accrued interest received from the sale of the Bonds, if any, shall be deposited in the Debt Service Account.
- (b) The sum of \$[] shall be deposited into the Redemption Fund.
- (c) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Improvement Fund.

Section 503. Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements, in accordance with the plans and specifications therefor approved by the Governing Body and on file in the office of the Clerk, including any alterations in or amendments to said plans and specifications deemed advisable and approved by the Governing Body; (b) paying interest on the Bonds during construction of the Improvements; (c) paying Costs of Issuance; (d) retiring the Refunded Notes; and (e) transferring any amounts to the Rebate Fund required by this *Article V*. Upon completion of the Improvements, any surplus in the Improvement Fund shall be deposited in the Debt Service Account.

Section 504. Substitution of Improvements; Reallocation of Proceeds.

(a) The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Bonds provided the following conditions are met: (1) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the Governing Body in accordance with the laws of the State; (2) a resolution authorizing the use of the proceeds of the Bonds to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the Governing Body pursuant to this Section, (3) the Attorney General of the State has approved the amendment made by such resolution to the transcript of proceedings for the Bonds to include the Substitute Improvements; and (4) the use of the proceeds of the Bonds to pay the Financeable Cost of the Substitute Improvement will not adversely affect the tax-exempt status of the Bonds under State or federal law.

(b) The Issuer may reallocate expenditure of Bond proceeds among all Improvements financed by the Bonds; provided the following conditions are met: (1) the reallocation is approved by the Governing Body; (2) the reallocation shall not cause the proceeds of the Bonds allocated to any Improvement to exceed the Financeable Costs of the Improvement; and (3) the reallocation will not adversely affect the tax-exempt status of the Bonds under State or federal law.

Section 505. Application of Moneys in the Redemption Fund. Moneys in the Redemption Fund shall be paid and transferred to the Refunded Bonds Paying Agent, with irrevocable instructions to apply such amount to the payment of the Refunded Bonds on the Refunded Bonds Redemption Date. The Clerk is authorized and instructed to provide appropriate notice of redemption in accordance with the Refunded Bonds Resolution authorizing the issuance of such Refunded Bonds. Any moneys remaining in the Redemption Fund not needed to retire the Refunded Bonds shall be transferred to the Debt Service Account.

Section 506. Application of Moneys in Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

Section 507. Application of Moneys in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Certificate. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Certificate), for payment to the United States of America, and neither the Issuer nor the Owner of any Bonds

shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and the Federal Tax Certificate.

(b) The Issuer shall periodically determine the arbitrage rebate, if any, under Code § 148(f) in accordance with the Federal Tax Certificate, and the Issuer shall make payments to the United States of America at the times and in the amounts determined under the Federal Tax Certificate. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be deposited into the Bond and Interest Fund.

(c) Notwithstanding any other provision of this Bond Resolution, including in particular *Article VII* hereof, the obligation to pay arbitrage rebate to the United States of America and to comply with all other requirements of this Section and the Federal Tax Certificate shall survive the defeasance or payment in full of the Bonds.

Section 508. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the Issuer; or (b) if no such entity has a main or branch office located in the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account other than the Redemption Fund may be invested in accordance with this Bond Resolution and the Federal Tax Certificate in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds may, at the discretion of the Issuer, be credited to the Debt Service Account.

Section 509. Redemption of Refunded Bonds. The Refunded Bonds are hereby called for redemption and payment prior to maturity on the Refunded Bonds Redemption Date. The Refunded Bonds shall be redeemed in accordance with the Refunded Bonds Resolution by the payment of the principal thereof, together with the redemption premium and accrued interest thereon to the Refunded Bonds Redemption Date. The Clerk is hereby directed to cause notice of the call for redemption and payment of the Refunded Bonds to be given in the manner provided in the Refunded Bonds Resolution. The officers of the Issuer and the Refunded Bonds Paying Agent are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of the Refunded Bonds as herein provided.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Remedies. The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with *Article III* hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

ARTICLE VIII

TAX COVENANTS

Section 801. General Covenants. The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The Mayor, Finance Director and Clerk are hereby authorized and directed to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

Section 802. Survival of Covenants. The covenants contained in this Article and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to *Article VII* hereof or any other provision of this Bond Resolution until such time as is set forth in the Federal Tax Certificate.

ARTICLE IX

CONTINUING DISCLOSURE REQUIREMENTS

Section 901. Disclosure Requirements. The Issuer hereby covenants with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking, the provisions of which are incorporated herein by reference. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Section 902. Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its covenants contained in the preceding section, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in the preceding section or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section. Notwithstanding any other provision of this Bond Resolution, failure of the Issuer to comply with its covenants contained in the preceding section shall not be considered an Event of Default under this Bond Resolution.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1001. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Clerk. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the Governing Body shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

Section 1002. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;

- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the Governing Body at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to provide for Substitute Improvements, to conform this Bond Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the Governing Body amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Clerk and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Bond Resolution will be sent by the Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Clerk a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

Section 1003. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

- (a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such

jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 1004. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Section 1005. Electronic Transactions. The issuance of the Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Section 1006. Further Authority. The officers and officials of the Issuer, including the Mayor and Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1007. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 1008. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1009. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ADOPTED by the Governing Body on July 21, 2016.

(SEAL)

Mayor

ATTEST:

Clerk

EXHIBIT A
(FORM OF BONDS)

REGISTERED
NUMBER __

REGISTERED
\$

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF LEAVENWORTH
CITY OF LANSING
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BOND
SERIES 2016-A

Interest
Rate:

Maturity
Date:

Dated
Date: August 10, 2016

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Lansing, in the County of Leavenworth, State of Kansas (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2017 (the "Interest Payment Dates"), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s)

for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

Authorization of Bonds. This Bond is one of an authorized series of Bonds of the Issuer designated "General Obligation Refunding and Improvement Bonds, Series 2016-A," aggregating the principal amount of \$[PRINCIPAL AMOUNT] (the "Bonds") issued for the purposes set forth in the Ordinance of the Issuer authorizing the issuance of the Bonds and the Resolution of the Issuer prescribing the form and details of the Bonds (collectively, the "Bond Resolution"). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 10-427 *et seq.*, K.S.A. 12-619, K.S.A. 12-624 and K.S.A. 12-631a, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Bonds constitute general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Redemption Prior to Maturity. The Bonds are subject to redemption prior to maturity, as provided in the Bond Resolution.

Book-Entry System. The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Bond Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the

Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements among the Issuer, the Bond Registrar and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE BOND RESOLUTION, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its Clerk, and its seal to be affixed hereto or imprinted hereon.

CITY OF LANSING, KANSAS



(Facsimile Seal)

By: _____ (facsimile) _____
Mayor

ATTEST:

By: _____ (facsimile) _____
Clerk

AGENDA ITEM

TO: Tim Vandall, City Administrator 
FROM: Stefanie Leif, Community and Economic Development Director 
DATE: July 12, 2016
SUBJECT: Modification of Contract for Professional Services – Lansing Middle School

At its February 4, 2016, meeting, the City Council approved a contract extension for Design Energy Group for inspection of the Lansing Middle School remodel. The original contract had a not to exceed amount of \$135,000.00 and would be paid from the permit fees, so no unbudgeted funds would be required to complete the contract. The February 4 extension increased the amount to \$144,613.00 and extended the contract through mid-June 2016.

On July 8, 2016, a letter was received from Joseph Keane, Principal Engineer for Design Energy Group, stating the construction at the Middle School is expected to extend until late July or early August and the estimated additional expenses to be \$3,000.00.

Financial Consideration: Permit fees for the High School and Middle School totaled \$239,555.42. With the current extension to the contract, the total not to exceed for the consulting engineers would be \$147,613.00. Thus, the permit fee revenue covers the entirety of the contract.

Action: Modify the compensation section of the prior contract for professional services of Design Energy Group for the Lansing High School and Middle School to increase the maximum not to exceed amount by \$3,000.00, for a total of \$147,613.00.

Rebecca Savidge

From: keane.joseph@comcast.net
Sent: Friday, July 08, 2016 9:50 AM
To: Rebecca Savidge
Subject: Inspections
Attachments: June Bill 2016 & letter.pdf

Rebecca,

Attached is the last billing for the Middle School.

We exceeded to not to exceed and did not include the overage.

I offer to complete the project for a not to exceed fee of \$3,000.00 plus reimbursables.

If the Contractor drags on and on, I will complete the inspections with out additional cost to the city.

Thanks,

Joe

PROFESSIONAL SERVICES AGREEMENT

This Agreement is made this 7th day of October, 2013, in Leavenworth County, Kansas, by and between the City of Lansing, Kansas ("Client"), and Design Energy Group, ("Engineer").

SECTION 1 – ENGINEER'S DUTIES

Engineer shall provide complete and thorough professional observation of the new Lansing High School and Sports Complex 1412 147th Street, and of the remodeling of the existing Lansing High School in Lansing, Kansas. The work will include observation of foundations, structural, mechanical, electrical, plumbing, roofing, fire rated partitions, and non-structural elements. Engineer shall provide a written report regarding said observations to the Client, the Construction Manager, and the trade Contractors. All reports must be reviewed by a Professional Engineer, licensed in the State of Kansas. Engineer understands that time is of the essence in this work and shall submit such reports in a timely fashion and shall, at a minimum, abide by the following schedule:

- a. The written report on building code observations at the building within three working days of the observation;
- b. The written report shall be delivered to the Client monthly by mail and to the Contractor's box at the construction site;
- c. The Engineer shall provide additional letter form reports as required to notify the Client of any conflicts, code violations, or potential "problems" as observed by the Engineer.

Observations, under this agreement, will be scheduled as needed and as requested by the Contractors. The Engineer will respond to requests by the Contractors for observations on a 24-hour notice.

The Engineer will NOT provide quality control, contract compliance, design services, soils tests, concrete sampling or test, or OSHA/safety compliance as a part of this contract.

SECTION II – COMPENSATION

The Client shall pay the Engineer in accordance with the following schedule in ½ hour increments with a four hour per site visit minimum, including travel time, Principal Engineer at \$125.00 per hour, Senior Engineer, and Architect at \$100.00 per hour. Compensation under this agreement shall not exceed One Hundred Thirty-Five Thousand Dollars (\$135,000.00), exclusive of reimbursables listed below. The Client agrees to remit such payment to Engineer within 30 days of receipt of the Engineer's invoice. Reimbursables shall include travel at \$0.56/Mile and other expenses at cost plus 10%.

SECTION III – TERM OF AGREEMENT

The term of this Agreement shall be for two years and three months, commencing on the 8th day of October 2013 and shall terminate on September 31, 2015 or until terminated by either party in accordance with Section IV of this Agreement

SECTION IV – TERMINATION

Either party may terminate this Agreement for its convenience upon seven (7) days written notice to the other party, provided, however, that Engineer may not terminate the Agreement without completing any project delivered to it prior to said notice of termination. Upon termination, Engineer shall return all documents and pending reports to the Client and the Client shall, within 30 days of receipt of a final invoice from the Engineer, pay the Engineer for sums for work incurred prior to the date of termination.

SECTION V – INSURANCE

Engineer shall maintain throughout the duration of this Agreement, insurance in, at a minimum, the amounts specified below, unless waived in writing by the Client. All general and automobile liability insurance shall be written on an occurrence basis unless otherwise agreed to in writing by the Client.

The Engineer is required to carry insurance while performing the proposed work for the Client. The Engineer will name the City as additional insured and will furnish a Certificate of Insurance to the Client on execution of this proposal.

Minimum limits for General Liability, Automobile Liability, and Employer's Liability are as follows:

1. Professional Liability

Consulting Engineer shall maintain insurance coverage for two (2) years beyond the term of this Agreement, Professional Liability Insurance in an amount not less than One Million Dollars (\$1,000,000), each claim/aggregate, and shall provide Client with certification thereof.

2. General Liability

(a) General Aggregate.....	\$1,000,000.00
(b) Products / Completed Operations Aggregate.....	\$1,000,000.00
(c) Personal and Advertising Injury (Each Person).....	\$100,000.00
(d) Each Occurrence.....	\$100,000.00
(e) Fire Damage (any one fire).....	\$100,000.00

3. Automobile Liability

(a) All autos Combined Single Limits (CSL).....	\$1,000,000.00
-------------------------------------------------	----------------

(b) Uninsured motorists.....\$1,000,000.00
(c) Excess Liability..... Their Limit
Umbrella policy may be used to meet coverage limits.

Policy shall protect the Engineer against claims for bodily injury and/or property damage arising from the ownership or use of all owned, hired and/or non-owned vehicles and must include protection for either of the above-specified amounts. Limits of liability protection are the same as the limits for the General Liability section.

4. Notice of Claim Reduction of Policy Limits

The Engineer, upon receipt of notice of any claim in connection with the Proposal, shall promptly notify the Client, providing full details thereof, including an estimate of the amount of loss or liability.

The Engineer shall promptly notify the Client of any reduction in limits of protection afforded under any policy listed in the Certificate in excess of \$1,000,000.00, whether or not such impairment came about as a result of this Contract.

In the event the Client shall determine that the Engineer's aggregate limits of protection shall have been impaired or reduced to such extent that the Client shall determine such limits inadequate for the balance of the project, the Engineer shall, upon notice from the Client, promptly reinstate the original limits of liability required hereunder and shall furnish evidence thereof to the Client. In the event the Client shall determine that the Engineer's aggregate limits of protection are in adequate, The Client shall reimburse the Engineer for additional costs.

SECTION VI – ASSIGNMENT

The parties hereto agree that neither shall assign, sublet, delegate or transfer their interest or duties in this Agreement without the written consent of the other party and further agree that this Agreement binds the parties, and their heirs and successors.

SECTION VII – PRIOR STATEMENTS NOT BINDING

It is understood and agreed that the written terms and provisions of this Agreement shall supersede all prior written or verbal statements of any representative of the parties hereto and such statements form no part of this Agreement. The parties acknowledge that this Agreement may not be amended or modified except in writing signed by both parties hereto.

SECTION VIII – OTHER SERVICES AND CLIENTS

Nothing in this agreement shall prevent the Engineer from engineering and design work, or other engineering services for any client public or private. The parties to this agreement shall not be constricted or barred from other agreements of services.

SECTION IX – INDEPENDENT ENGINEER

The Engineer is an independent contractor and as such is not an employee of Client. The Engineer is responsible for any and all federal, state and local taxes.

SECTION X – EQUAL OPPORTUNITY


The Engineer shall observe the provisions of the Kansas act against discrimination and shall not discriminate against any person in the performance of work under the Agreement because of race, religion, color, sex, disability, national origin or ancestry; in all solicitations the Engineer shall include the phrase, "equal opportunity employer"; if the Engineer shall be deemed to have breached this Agreement and it may be canceled, terminated or suspended, in whole or in part, by Client; if the Engineer is found guilty of a violation of the Kansas act against discrimination or any other act banning discrimination or retaliation, under a decision or order of the commission which has become final.

SECTION XI – APPLICABLE LAW


This Agreement shall be construed under the laws of the State of Kansas. The venue for any litigation arising from this agreement shall be in the District Court of Leavenworth County, Kansas.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date above written.

City Of Lansing, Kansas

By: 
City Administrator

Engineer Design Energy Group

By: 
Joseph F. Keane, P.E.
Title: Principal Engineer
Address: 3319 Prescott
Blue Springs, MO 64015

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Sarah Bodensteiner, City Clerk
DATE: July 13, 2016
SUBJECT: Executive Session – Economic Development

Executive Session will be called to discuss confidential data relating to the financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorship.

AGENDA ITEM #

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Lansing Police Department
Vehicle Fleet End of Month Report

Jul-2015

Unit	Year	Make/Model	Mileage as of 06/01	Mileage as of 07/01	Miles Driven	Current Use	Future Use	Comments
1	2013	Ford Explorer	48596	49977	1381	Patrol	Patrol	Fit for patrol duty
2	2012	Dodge Charger	22195	22961	766	Sergeants	Sergeants	Limited Use - Sergeants
3	2015	Ford Explorer	11351	12101	750	Patrol	Patrol	Fit for patrol duty
4	2015	Ford Explorer	7579	8157	578	Patrol	Patrol	Fit for patrol duty
5	2012	Dodge Charger	18213	18488	275	Captain	Captain	Limited Use - Captain
6	2013	Ford Explorer	33178	34256	1078	Patrol	Patrol	Fit for patrol duty
7	2002	Ford Explorer	123195	123603	408	Detective	Detective	Limited Use - Detective
8	2011	Dodge Charger	60057	61226	1169	Patrol	Patrol	Fit for patrol duty
9	2012	Chevy Tahoe	69756	71513	1757	Patrol	Patrol	Fit for patrol duty
10	2011	Dodge Charger	30309	30839	530	Chief	Chief	Limited Use - Chief
11	2003	Ford F150	73821	73829	8	Animal Control	Animal Control	Fit for Animal Control duties
13	2010	Dodge Charger	85069	86284	1215	Patrol	Patrol	Fit for patrol duty
14	1995	Ford EOC Vehicle	162138	162138	0	EOC	EOC	Limited Use - EOC
15	2016	Dodge Charger	0	528	528	Patrol	Patrol	Fit for patrol duty
17	2016	Dodge Charger	0	597	597	Patrol	Patrol	Fit for patrol duty
					0			
				Mileage Total:	11040			

Lansing Public Works Department**Monthly Fleet Report****Month** June **Year** 2016**Vehicles**

Year	Make	Model	Description	Mileage Starting	Mileage Ending	Miles Driven	Comments
2008	Ford	LT	LT. Pick-up Ext	49,515	49,760	245	
2007	Ford	LT	LT. Pick-up Ext	31,354	31,917	563	
1998	Ford	1/2 ton	Pick-up	58,460	58,564	104	
2001	Ford	Ranger	LT. Pick-up Ext	114,193	114,402	209	
2005	Ford	Ranger	LT. Pick-up Ext	37,721	38,039	318	
2000	Ford	Explorer	SUV	181,137	181,645	508	
2005	Sterling	LT 8500	Dump Truck	45,777	46,010	233	
2007	Elgin	Crosswind J+	Street Sweeper	4,936	4,936	0	
1992	Ford	700	Dump Truck	62,580	62,580	0	
1999	Ford	F350 4x4	Dump Truck	82,918	82,918	0	
2000	Ford	F350 4x4	Pick-up Utility	92,968	93,435	467	
2002	Ford	F350 4x4	Dump Truck	68,967	69,192	225	
2011	International	7400	Dump Truck	10,108	10,432	324	
2016	Ford	F350 4x4	One-ton Dump Truck	0	354	354	

Equipment

Year	Make	Model	Description	Hours Starting	Hours Ending	Hours Used	Comments
1997	JD	770BH	Grader	4,959	4,962	3	
2004	IR	DD-24	Asphalt Roller	242	245	3	
2006	IR	185	Air Compressor	166	166	0	
1993	Ford	5030	Tractor	376	390	14	
1997	Bobcat	763	Skid Steer	1,970	1,984	14	
2014	Case	580 SNWT	Backhoe	382	399	17	
2002	Crafc	110	Crack Sealer	748	748	0	
2003	Kubota	L3710	Tractor	1,391	1,407	16	
2009	Case	465	Skid Steer	493	500	7	
2004	Case	621D	Front Loader	2,013	2,013	0	at wastewater plant

Lansing Wastewater Utility Department
Lab Data and Fleet Report

Jun-16			
City Influent	32.39 MG	City Avg Daily	1.08
LCF Influent	14.18 MG	LCF Daily Avg	.473 MG
Total Biosolids	0.993	Precip	0.94

Vehicles

Year	Make	Model	Description	Mileage Start	Mileage Ending	Miles Driven	Current Use	Comments
1995	Dodge	3500	Flatbed Truck	87331	87331	0	Collection System	
1999	Sterling	Vactor	Jet Truck	8005	8012	7	Collection System	
2002	Ford	350	Pick Up Truck	87679	88092	413	Ops/Maint.	
2006	Ford	Cr Vic	Sedan	144887	145221	334	Ops/Maint.	
2005	Ford	550	Flatbed Truck	40999	41188	189	Ops/Maint.	
2005	Freightliner	M2106	Dump Truck	17412	17519	107	Biosolids Disposal	
Total						1050		

Year	Make	Model	Description			Hours Used	Current Use	Comments
1991	Case	1825	Uni-Loader	936	936	0	Plant Activities	
1999	Sterling	Vactor	Jet Truck	2206	2207	1	Collection System	
1999	Aries	Saturn III	Camera Trailer	335	335	0	Collection System	
2004	John Deere	7920	Tractor	1086	1091	5	Biosolids Disposal	
2005	Polaris	Ranger #1	Utility Vehicle	1006	1030	24	Operations	
2004	Case	621D	Loader	2141	2144	3	Operations	
2005	Polaris	Ranger #2	Utility Vehicle	980	989	9	Maintenance	
2006	JCB	531-70	Telehandler	488	489	1	Plant Activities	