

EL DORADO CITY COMMISSION – REGULAR MEETING AGENDA
CITY HALL – 220 E. FIRST AVENUE
April 1, 2019 – 6:30 PM

- 1. Call to Order**
- 2. Roll Call**
- 3. Invocation –**
- 4. Pledge of Allegiance**

Proclamations and Recognition

- 5. None**

Personal Appearances. Personal appearances are opportunities for organizations or citizens to make special presentations before the City Commission. Such appearances are scheduled in advance of the meeting by calling City Clerk Tabitha Sharp at (316) 321-9100 by 5:00 pm the Tuesday preceding the meeting. Presentations are limited to ten minutes. Any presentation is for information purposes only; no action will be taken.

- 6. None**

- 7. Public Comments.** Persons who wish to address the City Commission regarding items not on the agenda and that are under the jurisdiction of the City Commission may do so when called upon the Mayor. Comments on personnel matters and matters pending in court are not permitted. Speakers are limited to three minutes. Any presentation is for information purposes only; no action will be taken.

Consent Agenda (*Consent agenda items will be acted on by one motion unless a majority of the City Commission votes to remove an item for discussion and separate action.*)

- 8. Approval of City Commission Minutes from March 4 and 18, 2019 and Special City Commission Minutes from March 4 and 13, 2019.**
- 9. Approval of a one year lease for a John Deer Mini Excavator in the amount of \$7,150.**
- 10. Approval of a one year lease for a John Deer Skid-Steer in the amount of \$6,350.**

Old Business

- 11. Municipal Code Amendment Pertaining to the Municipal Court – Failure to Appear**

New Business

- 12. 2019 A Series Bond Sale**

Reports

- 13. City Commission and Advisory Board Updates**
- 14. City Manager**

Executive Session

- 15. None**

Adjournment

- 16. Consideration of a motion to adjourn the April 1, 2019 regular meeting**

PUBLIC COMMENT POLICY:

Citizens are encouraged to address the City Commission during regularly scheduled meetings. This policy is intended to provide some guidelines to ensure that all El Dorado citizens have a chance to address the Commission.

1. Each citizen will state their name and address before making comments.
2. There are no residency requirements.
3. Each citizen will have 3 minutes to present his or her comments.
4. An extension of time, if necessary, may be approved but must be by a majority of the City Commission.
5. Comments or questions will be directed only to the City Commission.
6. Citizens will follow the decorum policy.
7. Debate or argument between parties in the audience will not be allowed.
8. Certain legal issues may not be discussed. (Examples include but are not limited to personnel issues, lawsuits, etc.)
9. Violation of this public comment policy will result in the citizen being directed to cease or resume sitting.

Approved by the Commission this 2nd day of May 2005.

EL DORADO CITY SPECIAL COMMISSION MEETING

March 4, 2019

The El Dorado City Commission met in special session on March 4, 2019 at 5:30 pm at the USD 490 Administration Offices with the following present: Mayor Vince Haines, Commissioner Matt Guthrie, Commissioner Gregg Lewis, Commissioner Kendra Wilkinson, City Manager David Dillner, City Engineer Scott Rickard and City Clerk Tabitha Sharp. Absent: Commissioner Nick Badwey and City Attorney Ashlyn Lindskog.

CALL TO ORDER

Mayor Vince Haines called the March 4, 2019 Special City Commission meeting to order at 5:30 p.m.

TENNIS COURT DISCUSSION

The City Commission discussed the proposed tennis court project with the USD 490 Board of Education. They agreed place the tennis courts at North Main Park and to increase the amount allowable to \$1,600,000 to include a location specific restroom.

ADJOURNMENT

Commissioner Matt Guthrie moved to adjourn the meeting at 6:10 p.m.

Commissioner Gregg Lewis seconded the motion.

Motion carried 4 – 0.

City Clerk Tabitha D. Sharp

Mayor Vince Haines

EL DORADO CITY COMMISSION MEETING

March 4, 2019

The El Dorado City Commission met in a regular session on March 4, 2019 at 6:30 p.m. in the Commission Room with the following present: Mayor Vince Haines, Commissioner Matt Guthrie, Commissioner Gregg Lewis, Commissioner Nick Badwey, Commissioner Kendra Wilkinson, City Manager David Dillner, City Attorney Ashlyn Lindskog, City Engineer Scott Rickard and City Clerk Tabitha Sharp.

VISITORS

Mitch Walter	Gilmore & Bell	Wichita, KS
Tom Kaleko	Springsted Financial Advisors	Kansas City, MO
Jack Ryan-Feldman	Springsted Financial Advisors	Kansas City, MO
Deanna Bonn	Everyday El Dorado	El Dorado, KS

CALL TO ORDER

Mayor Vince Haines called the March 4, 2019 meeting to order.

INVOCATION

Father John, St. John's Catholic Church, opened the meeting with an invocation.

PLEDGE OF ALLEGIANCE

The City Commission led the Pledge of Allegiance.

PERSONAL APPEARANCE

Ginger Hurst talked to the City Commission regarding a proposed chapel.

PUBLIC COMMENT

Mayor Vince Haines opened the floor for public comment.

There were no comments.

CONSENT AGENDA

Approval of City Commission minutes for February 18, 2019 and Special City Commission minutes from February 22, 2019.

Approval of Appropriation Ordinance No. 02-19 in the amount of \$1,537,670.20.

Commissioner Nick Badwey moved to approve the consent agenda as presented.

Commissioner Kendra Wilkinson seconded the motion.

EL DORADO CITY COMMISSION MEETING

March 4, 2019

Motion carried 5 – 0.

EXECUTIVE SESSION

Commissioner Nick Badwey moved to recess into executive session pursuant to the attorney client privilege exception under K.S.A. 75-4319(b)(2) for the purposes of discussing ongoing litigation and to reconvene the meeting at 7:20 p.m. in the City Commission Room.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

Mayor Vince Haines called the meeting back to order at 7:25 p.m.

DEPARTMENT PRESENTATIONS FOR COMMUNITY MARKETING

Tabitha Sharp, City Clerk, presented the year end presentation for community marketing.

SERIES 2019A BOND RESOLUTION AUTHORIZING BOND SALE

Mitch Walter, Gilmore & Bell, stated that the city has prepared the documents necessary to go to bond and is ready to set the bond sale. He stated that the resolution provided authorizes staff to move forward with the sale.

Mayor Vince Haines confirmed the amount of the bond.

Mr. Walter stated that it was \$2,970,000.

Mayor Haines asked if debt was retiring this year.

City Manager David Dillner stated that there was not, the next retirement would be in 2022.

Mr. Walter stated that the temporary notes will be coming off of existing debt as the bond goes on.

Scott Rickard, City Engineer, stated that a large number of these costs will be reimbursed by specials.

City Manager Dillner stated that the items that are reimbursed by special assessments do not count against the City's statutory debt limit.

Mayor Haines asked if we knew how much was special assessments versus City-at-Large.

City Engineer Rickard stated that he didn't have the amount in front of him.

Mayor Haines stated that he would like to know the amount. He confirmed that the remaining amount would be paid from budget.

Commissioner Matt Guthrie moved to approve Resolution No. 2878, a resolution authorizing the offering for sale of general obligation improvement bonds, Series 2019A, of the City of El Dorado, Kansas.

Commissioner Gregg Lewis seconded the motion.

Motion carried 5 – 0.

INTERLOCAL AGREEMENT WITH USD 490

City Manager David Dillner stated that the updated agreement has been provided specifying the site at North Main Park and the amount not to exceed being \$1,600,000 to be split between the City and USD 490.

Commissioner Nick Badwey asked if the costs for fence, walking path and sewer line are included.

City Manager Dillner stated that those are included in the total project cost.

Commissioner Badwey stated that he thought that there was a restroom already at this location.

City Manager Dillner stated that it was the will of the group to build a site specific restroom. The cost is estimated to be \$85,000 and that is what increased the total project cost to \$1,600,000.

Commissioner Kendra Wilkinson asked about the legal title to half of the land at North Main.

City Manager Dillner stated that this agreement mirrors the activity center, and it had a similar caveat. He stated that it will only be for the portion of the park related to the tennis courts. He stated that a survey will be done and a legal description will be attached.

Commissioner Gregg Lewis moved to approve Ordinance No. G-1296, an ordinance pertaining to and authorizing the City of El Dorado, Kansas to enter into and the Mayor to sign an interlocal agreement pursuant to K.S.A. 12-2901 et seq., with Unified School District 490, Butler County, Kansas, for the construction, maintenance and use of a joint community tennis complex.

Commissioner Matt Guthrie seconded the motion.

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March 4, 2019

Roll Call Vote

Position No. 2	Commissioner Gregg Lewis	Yes
Position No. 3	Commissioner Nick Badwey	Yes
Position No. 4	Commissioner Kendra Wilkinson	Yes
	Mayor Vince Haines	Yes
Position No. 1	Commissioner Matt Guthrie	Yes

WILLET BUILDING

City Manager David Dillner stated that staff have previously discussed the future of the Willet building with the Commission. He stated that staff have been looking at potential opportunities for reuse, but they did not work out. He stated that staff are requesting permission to demolish the building.

Mayor Vince Haines asked if staff have reached out to any adjacent property owners.

City Manager Dillner stated that they had not yet, they plan to after the building is demolished.

Commissioner Nick Badwey moved to direct the City Manager to proceed with the demolition of the Willett building.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

REPORTS

CITY COMMISSION

Commissioner Kendra Wilkinson stated that there was not a quorum at the Parks and Recreation meeting, so there were no decisions.

Commissioner Wilkinson encouraged citizens to read the information provided in their utility bills. She stated that there is a lot of great information there.

Commissioner Nick Badwey encouraged citizens to attend the Shrove Tuesday pancake feed at Trinity Episcopal Church tomorrow.

Commissioner Matt Guthrie stated that he would like to see the department heads all attend Commission meeting.

City Manager David Dillner stated that he doesn't ask department heads to attend if they don't have something on the agenda.

EL DORADO CITY COMMISSION MEETING

March 4, 2019

Commissioner Guthrie stated that he visited other cities from El Dorado to Wichita yesterday and all of the streets were about the same.

Commissioner Guthrie thanked staff for fixing the tree by the hospital.

Mayor Vince Haines stated that the Mayor's dinner is Thursday.

CITY MANAGER

City Manager David Dillner stated that tomorrow is the state wide tornado drill at noon.

City Manager Dillner stated that April 8-12 is Spring Clean Up.

City Manager Dillner stated that city hall received several calls today from citizens who though we shut off water yesterday. He stated that we do not shut off water on Sundays, he encouraged people to use preventative measures to keep lines from freezing.

City Manager Dillner stated that the work on the downtown drainage would begin this week. He stated that there are several other projects in the queue, but they need warmer weather to proceed.

ADJOURNMENT

Commissioner Nick Badwey moved to adjourn the meeting at 8:04 p.m.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

City Clerk Tabitha D. Sharp

Mayor Vince Haines

EL DORADO CITY SPECIAL COMMISSION MEETING

March 13, 2019

The El Dorado City Commission met in special session on March 13, 2019 at 5:00 pm at City Hall with the following present: Vice Mayor Kendra Wilkinson, Commissioner Matt Guthrie, Commissioner Nick Badwey, City Manager David Dillner, and City Engineer Scott Rickard. Absent: Mayor Vince Haines, Commissioner Gregg Lewis, City Attorney Ashlyn Lindskog, and City Clerk Tabitha Sharp.

CALL TO ORDER

Vice Mayor Kendra Wilkinson called the March 13, 2019 Special City Commission meeting to order at 5:00 p.m.

INDUSTRIAL PARK MASTER PLAN

Representative from PEC and staff discussed the proposed Industrial Park Master Plan with the City Commission.

RECYCLING

Public Works Director Brad Meyer reviewed the increase in costs in the recycling program.

The City Commission agreed to review the program again at the end of the year.

ADJOURNMENT

Commissioner Nick Badwey moved to adjourn the meeting at 6:58 p.m.

Commissioner Matt Guthrie seconded the motion.

Motion carried 3 – 0.

City Clerk Tabitha D. Sharp

Mayor Vince Haines

EL DORADO CITY COMMISSION MEETING

March 18, 2019

The El Dorado City Commission met in a regular session on March 18, 2019 at 6:30 p.m. in the Commission Room with the following present: Vice Mayor Kendra Wilkinson, Commissioner Matt Guthrie, Commissioner Gregg Lewis, Commissioner Nick Badwey, City Manager David Dillner, City Engineer Scott Rickard and City Clerk Tabitha Sharp. Absent: Mayor Vince Haines and City Attorney Ashlyn Lindskog

VISITORS

Deanna Bonn	Everyday El Dorado	El Dorado, KS
Curt Zieman	128 N Vine	El Dorado, KS
Tom Pennycuff	Brickley Enterprises	El Dorado, KS

CALL TO ORDER

Vice Mayor Kendra Wilkinson called the March 18, 2019 meeting to order.

INVOCATION

Reverend Mark Somerville, Family Life Church, opened the meeting with an invocation.

PLEDGE OF ALLEGIANCE

The City Commission led the Pledge of Allegiance.

PUBLIC COMMENT

Vice Mayor Kendra Wilkinson opened the floor for public comment.

There were no comments.

CONSENT AGENDA

Approval of CTC Appointments for Rachel Lacerda and Tiya Tonn, terms to end 12/31/2020.

Commissioner Nick Badwey moved to approve the consent agenda as presented.

Commissioner Gregg Lewis seconded the motion.

Motion carried 4 – 0.

APPLICATION TO REZONE 610 SW PURITY SPRINGS ROAD

City Engineer Scott Rickard stated that the Planning Commission held a public hearing on February 28th, 2019, to review an application to rezone 610 SW Purity Springs Road from Agricultural Residential District (A-R) to Light Industrial District (I-1). The property is located

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within El Dorado's Extraterritorial Jurisdiction. Butler County supports the request. The Planning Commission voted to recommend approval of the rezoning application (5-0).

Vice Mayor Kendra Wilkinson confirmed that the access would be from Purity Springs.

City Engineer Rickard showed where it would be on the map.

Commissioner Matt Guthrie asked if they would be moving businesses there.

Tom Pennycuff, Brickley Enterprises, stated that he would be moving two shops there, a total of five businesses.

City Engineer Rickard stated that the north is light industrial, to the east is business park which includes light industrial, south of the turnpike is agricultural and to the west there is one residence. He stated that all property owners were notified of the application via letter and the County Commission has recommended approval as well.

Commissioner Matt Guthrie moved to approve Case No. 19-01-REZ, requesting a rezoning of 610 SW Purity Springs Road to I-1 Light Industrial District and that Ordinance No. G-1297 be approved.

Commissioner Gregg Lewis seconded the motion.

Roll Call Vote

Position No. 2	Commissioner Gregg Lewis	Yes
Position No. 3	Commissioner Nick Badwey	Yes
	Vice Mayor Kendra Wilkinson	Yes
Position No. 1	Commissioner Matt Guthrie	Yes

ZONING ORDINANCE AMENDMENTS

City Engineer Scott Rickard stated that in fall of 2018, the City Commission directed staff and the Planning Commission to review residential accessory structure regulations and to look into the topic of tiny homes. HE stated that over the last three months, the Planning Commission discussed amending the zoning ordinance to improve residential accessory structure regulations, regulate infill development, and regulate the use of shipping containers in residential areas as well as amend the by-laws to include a representative to the Board of Zoning Appeals.

City Engineer Rickard stated that the proposed amendments include:

- Link residential accessory structure size to principal structure size. This is common across the state of Kansas and focuses residential development on the principal structure. Said regulation prevents non-residential structures from becoming the dominant structures in residential neighborhoods.
- Allows eligible property owners to build a residential accessory structure as large as 1,500 square feet to do so without a Special Use Permit if the structure uses

matching building materials as viewed from public property and a minimum 60 foot front setback.

- Residential accessory structure height regulation changed to link height and roof pitch to that of the principal structure rather than a set side wall height that has historically prevented storing of taller recreation vehicles in said structures.
- Reduces side yard setbacks on lots platted prior to 1951, solving a widespread problem for property owners with detached garages near property lines that cannot be rebuilt in their current location.
- Prohibits use of shipping containers in residential areas as permanent accessory structures and provides for temporary use. Many cities within the state already prohibit permanent residential containers.
- Regulates infill housing size to prevent excessively small or excessively large development within established neighborhoods that may negatively impact surrounding properties and to maintain the scale and character of the neighborhood.
- Removes annexation zoning language from the zoning ordinance, a paragraph that was essential prior to gaining jurisdiction outside limits but is no longer needed.
- Updates by-laws to allow for a Planning Commission Representative to sit on the Board of Zoning Appeals.

Commissioner Nick Badwey confirmed that the percentage is an average of the area around the proposed development.

City Engineer Rickard stated that he was correct.

Vice Mayor Kendra Wilkinson stated that everything will depend on the lot being built on.

City Engineer Rickard stated that it would be easier to build smaller homes on the smaller lots, the wider they want to go, the harder it will be to build on a narrow lot.

Vice Mayor Wilkinson stated that she was comfortable with the changes as long as the builder has the ability to go before the Planning Commission for a variance.

City Engineer Rickard stated that they would be able to do so.

Commissioner Nick Badwey moved to approve zoning ordinance amendments to revise residential accessory structure regulations, prohibit shipping containers as residential accessory structures, regulate infill housing sizes and amend the Planning Commission by-laws as presented and that Ordinance No. G-1298 be approved.

Commissioner Matt Guthrie seconded the motion.

Roll Call Vote

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Position No. 3	Commissioner Nick Badwey	Yes
	Vice Mayor Kendra Wilkinson	Yes
Position No. 1	Commissioner Matt Guthrie	Yes
Position No. 2	Commissioner Gregg Lewis	Yes

CEREAL MALT BEVERAGE MUNICIPAL CODE AMENDMENT

City Clerk Tabitha Sharp stated that effective April 1 2019, Cereal Malt Beverage (CMB) Retailers, both general (drink on premise) and limited (carry-out/drink off premise) will be able to sell beer containing not more than 6% alcohol by volume. She stated that the City must update the code to be reflective of the new State Statute.

Commissioner Matt Guthrie moved to approve Ordinance No. G-1299, an ordinance amending the City of El Dorado, KS Municipal Code Sections 4.04.010 and 4.08 as it pertain to the sale of Cereal Malt Beverages.

Commissioner Nick Badwey seconded the motion.

Roll Call Vote

	Vice Mayor Kendra Wilkinson	Yes
Position No. 1	Commissioner Matt Guthrie	Yes
Position No. 2	Commissioner Gregg Lewis	Yes
Position No. 3	Commissioner Nick Badwey	Yes

MUNICIPAL CODE AMENDMENT PERTAINING TO THE MUNICIPAL COURT

City Clerk Tabitha Sharp stated that the Municipal Court has requested an addition to the Municipal Code regarding failure to appear. She stated that in addition to that request, there is a request from staff to include an amendment allowing Community Service in lieu of court fines. She stated that the insurance company now requires that the City offer this option.

Commissioner Nick Badwey stated that he was concerned with the section that allows community service for businesses. He stated that he felt that it should be done for the city.

The City Commission requested that staff review the community service section and replace it.

Commissioner Nick Badwey moved to table the Municipal Code amendment regarding the Municipal Court.

Commissioner Matt Guthrie seconded the motion.

Motion carried 4 – 0.

APPROVAL OF INDUSTRIAL PARK MASTER PLAN

EL DORADO CITY COMMISSION MEETING

March 18, 2019

City Engineer Scott Rickard stated that the City of El Dorado and El Dorado Inc. have requested an Industrial Park Master Plan to assist staff in providing information to potential developments in the industrial park. He stated that the cost to the City is \$40,650.

Commissioner Matt Guthrie asked if staff were happy with the plan.

City Engineer Rickard stated that they were, when developers come forward with a request, we are able to provide them with the information requested in a timely manner.

City Manager David Dillner stated that as City Engineer Rickard stated, there are not specific goals in this plan, but it provides us with an intelligent response to potential developments.

Commissioner Guthrie asked if there were any surprises that staff were not expecting.

City Engineer Rickard stated that we learned that Union Pacific has requested that El Dorado always have a west facing switch. He stated that there are a few things we need to look at to be completely able to serve the needs of a development. He stated that it got us face to face with a lot of partners such as KTA, KDOT, Kansas Gas and Union Pacific.

Commissioner Gregg Lewis moved to approve the Industrial Park Master Plan.

Commissioner Matt Guthrie seconded the motion.

Motion carried 4 – 0.

REPORTS

CITY COMMISSION

Vice Mayor Kendra Wilkinson stated that she has been asked to talk to the City about marking the new tennis courts for pickle ball.

City Manager David Dillner stated that we have had conversations about that, but have to check with USD 490 and KSHA to ensure that there are no requirements that would conflict with pickle ball court lines.

Vice Mayor Wilkinson confirmed that there are pickle ball courts at the Activity Center.

City Manager Dillner stated that there are three in gym three that are available most of the year.

CITY MANAGER

City Manager David Dillner stated that the project at Gordy and Central is almost done except for striping.

City Manager Dillner stated that the stormwater project at 2nd Avenue is also almost complete.

City Manager Dillner stated that GreatLife has moved in at Prairie Trails and is operating under the lease.

ADJOURNMENT

Commissioner Nick Badwey moved to adjourn the meeting at 7:45 p.m.

Commissioner Matt Guthrie seconded the motion.

Motion carried 4 – 0.

City Clerk Tabitha D. Sharp

Mayor Vince Haines

RENTAL AGREEMENT

Salesperson Name/Number			Rental # 125550		
Name	Lessee: CITY OF ELDORADO	Begin Date: 4/1/2019	End Date: 3/31/2020		
Street	222 E 2ND AVE	Dealer Account Number 177713	Do NOT write in shaded areas. For office use only.		
City, ST, Zip Code	EL DORADO KS 67042	Murphy Tractor Name and Address Location: PARK CITY, KS 5255 N DEERE RD PARK CITY KS 67213	Number of Months		
Telephone Number	3163219100	Murphy Tractor Phone Number: 3169421457	Applied Date		
Contact	GARY	Murphy Tractor Contact:	Payments Applied		
Customer PO					
Percentage of Rental Payments Applied to Purchase Option: 0 %		Rental Rate Per: ☐ Hour ☐ Day ☐ Week ☐ Month	\$7,150.00		
Security Deposit: _____		X Minimum Rental Period	0		
Maximum Hours No More Than: 0 hours/day 0 hours/week 0 hours/month		+ Taxes	\$0.00		
		+ Additional Charges	\$0.00		
		Total Rental Charge	\$7,150.00		

Notes:

EQUIPMENT WILL BE USED AT: (County, City, State) BUTLER EL DORADO KS Lessee will not remove the equipment from this location without written permission from Lessor.

Doc Ref No	Model	Description of Equipment	Serial Number	Hour Meter Reading	Present Value	%
169593	50G	DORF 400MM RBR TRKS, CAB/AC, 5' 7" ARM,	1FF050GXEH289315	3	\$79105.00	
172936	50THUMB			0	\$1646.74	
160732	5018			0	\$879.00	
154003	FX55		X55-06695	0	\$9364.86	
Total Present Value					\$90,995.60	

PURCHASER (select only if applicable)		MARKET USE (select only if applicable)		(select only if applicable)	
Non Governmental:		Agriculture:		Materials/Handling:	
Governmental:		Building:		Mining Quarrying:	
		Earthmoving:		Road Building:	
		Forestry:		Underground:	
		Prep:		Others:	

THIS RENTAL AGREEMENT IS SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET OUT ON THE FOLLOWING PAGES HEREOF.
ALL OF WHICH ARE HEREBY MADE A PART OF THIS RENTAL AGREEMENT.

LESSEE (Customer)

LESSOR (Dealer)

BY

Customer's Initials _____
Date _____

1. General. The above-named Lessor hereby leases to the above named Lessee the equipment listed herein ("Equipment") for the term and with the rental payments set out above. Rental payments shall be made to Lessor at the address shown above or to such other person and address as Lessor may direct from time to time. Lessee will pay the cost of transporting the Equipment from Lessor's place of business and returning it thereto. Such transportation shall take place during the term hereof. Lessee agrees to remit to Lessor the rental payments and all other amounts when due and payable, even if Lessor does not send Lessee a bill or an invoice. Lessee agrees that any amount due under this Rental Agreement, may, if specified above, at the option of the Lessor, be submitted by Lessor as a charge authorized by Lessee to the PowerPlan or Farm Plan account of Lessee, and Lessee agrees that the terms of that account shall thereafter apply to any accepted charges. For any payment which is not received by its due date, Lessee agrees to pay a late charge equal to 5% of the past due amount (not to exceed the maximum amount permitted by law) as reasonable collection costs, plus interest from the due date until paid at a rate of 1.5% per month, but in no event more than the maximum lawful rate. Restrictive endorsements on checks Lessee sends to Lessor will not change or reduce Lessee's obligations to Lessor. If a payment is returned to Lessor by the bank for any reason, Lessee agrees to pay Lessor a fee of \$50.00, or the maximum amount permitted by law, whichever is less. Rental payments and other payments may be applied, at Lessor's discretion, to any obligation Lessee may have to Lessor or its assignee or any affiliate of Lessor or its assignee. If the total of all payments made during the rental term exceeds the total of all amounts due under the Rental Agreement by less than \$50, Lessor may retain such excess. Rental terms and conditions from all invoices, monthly statements, or other agreements between Lessor and Lessee are hereby incorporated into this Rental Agreement. **LESSEE'S PAYMENT OBLIGATIONS ARE ABSOLUTE AND UNCONDITIONAL, AND ARE NOT SUBJECT TO CANCELLATION, REDUCTION OR SETOFF FOR ANY REASON WHATSOEVER.**

2. Security Deposit. Any Security Deposit will be held by Lessor in a non-interest bearing account, commingled with other funds. Lessor may apply the Security Deposit to any amounts due under the Rental Agreement and, if Lessor does so, Lessee agrees to promptly remit to Lessor the amount necessary to restore the Security Deposit to the original amount. The Security Deposit will be returned to Lessee within thirty days of termination of the Rental Agreement and final inspection by Lessor, provided Lessee is not in default.

3. Equipment Use. LESSOR HAS NOT MADE, AND DOES NOT MAKE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, OR OTHERWISE. Lessor is the owner of the Equipment and the Lessee has only the right to use the Equipment under the terms of this Rental Agreement. You agree to USE THE EQUIPMENT ONLY FOR CONSTRUCTION, AGRICULTURAL, BUSINESS OR COMMERCIAL PURPOSES AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES. It is contemplated that the Equipment will be operated for not more than the Maximum Hours specified above, and Lessee agrees to pay additional rental prorated at the applicable daily, weekly or monthly rate for each hour the Equipment is used in excess of the Maximum Hours. The additional rent for excess hours shall be paid at the time the Equipment is returned or, if the Equipment is rented for more than thirty days, on the first day of the month following such use. If there is an hour meter furnished, Lessee agrees to keep it connected to the Equipment and in good working condition at all times and it is to be used as the conclusive basis of the number of hours or operation. Lessee agrees to affix and maintain, in a prominent place on the Equipment, any labels, plates or other markings Lessor may provide. Lessee agrees to pay \$_____ if the hour meter is damaged or rendered inoperative during the term of this Rental Agreement. Lessee shall indemnify Lessor against all loss or damage to the Equipment while it is out of Lessor's possession. Damage to the Equipment, shall not abate or excuse the making of prescribed rental payments. Lessee agrees to use and care for the Equipment in a careful and prudent manner, to pay all operation and maintenance expenses while the Equipment is out of the possession of Lessor, and to make, at Lessee's sole expense, any and all repairs. Lessee agrees (a) to not move the Equipment to another county or state without notifying Lessor within 30 days; (b) to operate and maintain the Equipment in accordance with all (1) laws, ordinances and regulations, (2) manuals and other instructions issued by the manufacturer(s) and supplier(s), and (3) insurance policy terms and requirements; (c) to perform (at Lessee's expense) all maintenance and repairs necessary to keep the Equipment in as good a condition as when delivered to Lessee, reasonable wear excepted; (d) to not install any accessory or device on the Equipment, unless it can be removed without damaging the Equipment or in any way affecting the value, useful life, or originally intended use of the Equipment; (e) to not represent the Equipment as owned by Lessee or to pledge the Equipment as collateral to any lender or other party; (f) to load, unload, transport, and secure for transport, in accordance with all laws; (g) to acquire or purchase all proper permits in compliance with all federal and state traffic laws. Upon any expiration or termination of this Rental Agreement, all Equipment shall be returned by Lessee at Lessee's sole expense and in satisfactory condition, along with all use, maintenance and repair records. Equipment is in satisfactory condition if it is in as good a condition as when the Equipment was delivered to Lessee, reasonable wear excepted, and conforms to any maintenance standards incorporated into the Rental Agreement. If, upon its return to Lessor, the Equipment is not in such good condition, Lessor may repair it and Lessee will pay the cost of any such repairs at Lessor's regular shop rates. If Lessee fails to return the Equipment promptly upon any expiration or termination of this Rental Agreement, additional rent shall be payable by Lessee for each day the Lessee remains in possession of the Equipment, in an amount prorated at one and one-half times the normal rental payment amount. Lessee agrees to keep the Equipment free and clear of liens and encumbrances, except those in Lessor's favor, and promptly notify Lessor if a lien or encumbrance is placed or threatened against the Equipment. The Equipment may be equipped with telematics hardware and software ("Telematics") that transmit data to Lessor, John Deere, or other John Deere dealers. Lessee agrees that Lessor, John Deere and other John Deere dealers (their affiliates, successors and assigns), without further notice to Lessee have the right to: (i) access, use, collect and disclose any data generated by, collected by, or stored in, the Equipment or any hardware or devices interfacing with the Equipment ("Machine Data"); (ii) access Machine Data directly through data reporting devices integrated within, or attached to, the Equipment, including Telematics ("Data Reporting Systems"); and (iii) update the Data Reporting Systems software from time to time. Machine Data may be transferred out of the country where it is generated, including to the U.S.A. In the event that the Machine Data includes Lessee's personal information, Lessee hereby consents to the collection, use and disclosure of such personal information, to permit Lessor, John Deere and other John Deere dealers to access and use the Machine Data as set forth herein. Lessee warrants that it has obtained any necessary consent from its employees or any other third parties, including with respect to the transfer of Machine Data to other jurisdictions, to comply with any applicable privacy laws or contractual agreements with such employees or third parties and to permit Lessor, John Deere and other John Deere dealers to access and use the Machine Data as set forth herein. Lessee shall not use the Data Reporting Systems to track the location of any person unless Lessee has first obtained any necessary approvals from such person to permit Lessee, Lessor, John Deere and other John Deere dealers to track such location. Lessee shall not remove, modify or disable any Data Reporting Systems without Lessor's prior written consent.

4. Risk of Loss. Lessee unconditionally assumes all risk and liability for all damages for injuries or death to person and property arising out of or related (whether directly or indirectly) to the use, rental, possession or transportation of the Equipment including, but not limited to, any claims that Lessor was negligent, failed to warn Lessee of any risks or dangers associated with use, possession or transportation of the Equipment, or failed to assist Lessee load, unload, transport or inspect the Equipment before, during or after the Term of Lease. Lessee, at their own expense will carry public liability insurance with minimum liability limits in the amount of \$1,000,000 per person and \$1,000,000 per occurrence for bodily injury, including death, and in the minimum amount of \$100,000 per occurrence for property damage. In addition, Lessee will maintain property insurance for all loss or damage to the equipment for not less than 100% of the equipment value and accessories. All insurance must be with companies and policies acceptable to Lessor which shall list Lessor as an additional loss payee & joint payee of any Equipment insurance claim proceeds. Lessee's obligation to insure the Equipment continues until Lessee returns the Equipment to Lessor and Lessor accepts it. Neither Lessor, its assigns, the wholesale distributor nor the Manufacturer shall be liable for any special, incidental, consequential or punitive damages that may result from any failure or use of the Equipment or for breach of this Agreement. Until the Equipment is returned to Lessor in satisfactory condition, Lessee is responsible for all risk of loss and damage, loss, theft, destruction or seizure of the Equipment. Lessee must promptly notify Lessor of any such event. In the event of any loss or damage to the Equipment, Lessee agrees to promptly repair or replace the Equipment to Lessor's satisfaction, at Lessee's sole cost, and the terms of the Rental Agreement will continue to apply throughout the Rental Agreement term.

5. Purchase Option. Upon expiration of the term of the Rental Agreement or at any time during such term, and provided Lessee is not in default, Lessee may elect to purchase the Equipment for the "Total Present Value" shown above (plus applicable taxes, including estimated property taxes) and may apply to such purchase price the percentage specified above of all rentals therefore paid. Such election shall be evidenced by execution of a purchase order form supplied by Lessor, together with payment of the remainder of the purchase price in cash or settlement for the equipment in some other manner agreed to in writing by the parties. Lessor has not made and does not warrant, represent, or otherwise make any promises related to financing the purchase price of the Equipment. Lessee is solely responsible for securing the purchase price of the Equipment. Upon receipt of the remainder of the purchase price, we will transfer to you all of our right, title and interest in the purchased equipment AS-IS, WHEREIS, WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER. The terms of the Rental Agreement continue prior to any final transfer of Lessor's right, title and interest in the purchased Equipment including Lessee's agreement to make timely rental payments.

6. Indemnification. Lessee shall be solely responsible for all losses, damages, injuries, death, suits, actions, claims, attorneys' fees and costs ("Claims"), incurred or asserted by any person, in any manner related to the Equipment or the use, rental, possession or transportation thereof including any Claims Lessor was negligent. Lessee agrees to protect, defend and indemnify and hold Lessor harmless from and against all Claims of any kind or nature whatsoever, although Lessor reserves the right to control the defense and to select or approve defense counsel. Lessee will promptly notify Lessor of all Claims made. Lessee's liability under this Section is not limited to the amounts of insurance required under this Rental Agreement. This indemnity commences upon the Rental Term Begin Date of this Rental Agreement and continues beyond the termination of this Rental Agreement, for acts or omissions, which occurred during the Rental Agreement term. Lessee waives all rights and remedies conferred upon a lessee under Article 2A of the Uniform Commercial Code.

7. Addition of Accessories. Lessee will not, without the express written consent of Lessor, install any accessories or devices on the Equipment if such installation will impair the originally intended function or use of the Equipment. All accessories or devices affixed to the Equipment shall automatically become the property of Lessor unless such accessory device can be removed without in any way (a) diminishing the value of the Equipment, or (b) affecting the originally intended function or use of the Equipment. Any damage to the Equipment caused by the removal of such accessories or devices shall be promptly repaired at Lessee's sole expense to the satisfaction of Lessor.

8. Compliance with Regulations. Lessee shall comply with and conform to all laws and regulations relating to ownership, possession, use, transportation and maintenance of the Equipment. If applicable law requires tax returns or reports to be filed by Lessee, Lessee agrees to promptly file such tax returns and reports and deliver copies to Lessor. Lessee agrees to keep and make available to Lessor all tax returns and reports for taxes paid by Lessee. If applicable, Lessee shall include the Equipment in its rental fleet for emissions reporting purposes and shall accurately prepare and file all such reports in a timely manner.

9. Inspection. Lessee shall, whenever requested, advise Lessor of the exact location of the Equipment. Lessor and its representatives may, for the purpose of inspection, at all reasonable times, enter upon any job, building or place where the Equipment is located. Lessor, John Deere and other John Deere dealers may use Data Reporting Systems at any time during the term of this Rental Agreement to collect Machine Data from the Equipment and determine its location, condition, or other operating parameters.

Customer's Initials _____
Date _____

10. Assignment. Lessor may, without notice to Lessee, assign this Rental Agreement and all of Lessor's rights in and to the Equipment and all rents due or to become due to Lessor hereunder. Lessee's obligation to pay rent under this Rental Agreement shall not as to any such assignee be subject to any diminution arising out of any breach of any obligation hereunder or other liability of Lessor to Lessee. Lessee may not assign this Rental Agreement, sub-lease or allow anyone other than Lessee's employees to use the Equipment. Lessee agrees not to assert against Lessor's assignee any claims, offsets or defenses which Lessee may have against Lessor.

11. Default. If (a) Lessee shall (1) fail to make rental, service, or other payment when due; (2) attempt to sell or encumber the equipment; (3) cease operating; (4) institute or have instituted against him proceedings under any bankruptcy or insolvency law; (5) make an assignment for the benefit of creditors; (6) fail to comply with any other provisions of this Rental Agreement; (7) merge with or consolidate into another entity; (8) sell substantially all its assets; (9) dissolve or terminate its existence; (10) use the Equipment in a manner Lessor deems improper or unreasonable; or (11) Lessee (if an individual) dies, or if, (b) any attachment, execution, writ of process is levied against the Equipment or any of Lessee's property, or if (c) a default occurs under any other agreement between Lessee (or any of Lessee's affiliates) and Lessor (or any of Lessor's affiliates); or if (d) for any reason Lessor deems itself insecure or the Equipment unsafe; or if (e) Lessor, in its opinion, deems Lessee's financial condition unsatisfactory Lessor may determine that Lessee is in default (an "Event of Default").

12. Remedies. Upon the occurrence of an Event of Default, Lessee shall (a) deliver the Equipment to Lessor on demand and Lessor may enter upon any job, building or place where the Equipment is located and take possession thereof without notice to Lessee, and this Rental Agreement shall hereupon terminate and be forfeited at the option of Lessor (b) AS LIQUIDATED DAMAGES FOR LOSS OF BARGAIN AND NOT AS A PENALTY, pay the sum of (i) all rent and other amounts then due and payable to Lessor; plus (ii) the present value of all remaining rent payments and other amounts, discounted at the rate implicit in this Rental Agreement, (c) pay damages for any injury to the Equipment, legal expenses (including, without limitation, court costs and attorney's fees), the cost of any repossession and/or removal of the Equipment from the possession of Lessee, and all freight, storage, transportation and other charges incurred in such removal and return to Lessor at its place of business. Upon the occurrence of an Event of Default, Lessor may also exercise any other remedy available at law or in equity. These remedies are cumulative, are in addition to any other remedies provided for by law, and may be exercised concurrently or separately at any time. **No delay in, or failure to, exercise or enforce any right or remedy hereunder, whether in whole or in part, shall serve to waive, compromise, impair or diminish any such rights or remedies.**

13. Construction. This is an agreement for Equipment rental only and nothing herein shall be construed as conveying to Lessee any right, title or interest in or to any item of Equipment rented hereunder except as a Lessee. This Rental Agreement supersedes and replaces all prior understandings and communications (oral or written) concerning the subject matter thereof. **In the event of an ambiguity in or dispute regarding the interpretation of this Rental Agreement, interpretation shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the drafting party.** If a court finds any part of this Rental Agreement to be invalid or unenforceable, the remainder of this Rental Agreement will remain in effect. Lessee permits Lessor to monitor and record telephone conversations between Lessee and Lessor.

14. Guaranteed Rental - Return of Equipment. Provided the guaranteed rental shown on Page 1 is or has been paid, Lessee may return the Equipment and terminate this Rental Agreement on three days' notice to Lessor. In the event such termination occurs prior to the expiration of the Rental Agreement term, Lessee agrees to (a) promptly deliver the Equipment to Lessor at the time and place Lessor chooses; and (b) pay to Lessor the remainder of all rental payments for the Minimum Rental Period guaranteed by Lessee, which will all be immediately due and payable. If this Rental Agreement is terminated for any reason and Lessee does not return the Equipment to Lessor, Lessee agrees to remit to Lessor, until such time as the Equipment is returned to Lessor in accordance with the provisions of this Section, additional lease payments each month equal the Rental Rate, or its monthly equivalent.

15. Replacement. Lessor may, at Lessor's option, replace the Equipment with a similar machine at any time during the rental term. Lessor will notify Lessee if Lessor intends to exercise this option, and Lessee will have three (3) business days following such notice in which to exercise the purchase option provided in this Lease or return the Equipment to Lessor. Upon return of the Equipment to Lessor, the rental term hereunder shall terminate, and the parties will enter into a new original Rental Agreement covering the replacement machine. Such new Rental Agreement shall extend, at a minimum, for the remainder of this Rental Agreement's rental term and shall have a Rental Rate no greater than the rate for rental of the Equipment hereunder.

16. Lessee Representations and Warranties. Lessee represents, warrants and covenants to Lessor so long as this Rental Agreement is in effect, that: (a) execution, delivery and performance by Lessee of this Rental Agreement does not and will not (1) violate any applicable law; (2) breach any order of court or other governmental agency, or of any undertaking Lessee is a party to or by which Lessee is bound; (b) Lessee will comply with all applicable laws, ordinances and regulations; (c) Lessee will not take any action, including filing any tax or other report, that is inconsistent with Lessor's ownership of the Equipment; (d) all information Lessee has given to Lessor is true, accurate and complete; (e) since the date of the most recent financial information given to Lessor, no material adverse change in Lessee's business, assets, or prospects has occurred; (f) Lessee will promptly deliver to Lessor such financial statements, reports and other information as Lessor may request; (g) Lessee is and will remain duly organized, validly existing and in good standing under the laws of Lessee's jurisdiction of organization; (h) Lessee is qualified to do business under the laws of all other jurisdictions where qualification is required or advisable; and (i) the execution, delivery and performance by Lessee of the Rental Agreement will not breach any provision of Lessee's organizational documents or legal authority. Lessee acknowledges and agrees, that (1) the Equipment was selected by Lessee; (2) the Equipment (including all manufacturer manuals and instructions) has been delivered to, and examined by, Lessee (3) the safe operation and the proper servicing of the Equipment were explained to Lessee (4) Lessee received the written warranty applicable to the Equipment and understands that the written warranty is not a part of this Rental Agreement.

17. General. Time is of the essence of this Rental Agreement. **LESSOR AND LESSEE EACH IRREVOCABLY WAIVE ANY RIGHT EITHER OF THEM MAY HAVE TO A JURY TRIAL.** Lessor's failure at any time to require strict performance by Lessee of any of the provisions of this Rental Agreement shall not waive or diminish Lessor's right thereafter to demands strict compliance therewith or with any provision. Waiver of any default shall not waive any other default. Any alteration or modification of this Rental Agreement shall be in writing and signed by the parties hereto. Lessee acknowledges receipt of a signed copy hereof. Lessee irrevocably authorizes Lessor, at any time, to (a) insert or correct information on this Rental Agreement, including Lessee's correct legal name, serial numbers and Equipment descriptions; (b) submit notices and proofs of loss for any required insurance; and (c) endorse Lessee's name on remittances for insurance and Equipment sale or rental proceeds.

Use this page if printing agreement prior to completing. This information is used when completing rental loads in the John Deere system.

For Office Use Only

PURCHASER (check one)	MARKET USE (check one)			
Non Governmental ☐ S Small Fleet (<10) ☐ M Medium Fleet (10-24) ☐ L Large Fleet (25-75) ☐ V Very Large (75+)	Agricultural ☐ 13 Livestock/Feed/Dairy ☐ 15 Row Crop/Small Grain ☐ 16 Specialty Crop ☐ 17 General Utility	Forestry ☐ 21 Harvesting ☐ 22 Reforestation/Site ☐ 24 Log Loading/Handling ☐ 25 Wood Handling/Yards ☐ 26 Timber Felling/Bunching ☐ 27 Stroke Delimbing	Mining / Quarrying ☐ 30 Mining Services ☐ 31 Metallic Mining ☐ 34 Coal Mining ☐ 36 Stone Aggregate	Underground ☐ 50 Energy Related Pipe ☐ 82 Gas/Water/Electric ☐ 43 Sewer / Water Sys ☐ 81 Telephone Co.
Governmental ☐ 2 Federal Govt. ☐ 3 State Govt. ☐ 4 County Govt. ☐ 5 Local Govt. ☐ 6 Armed Forces ☐ 7 National Account	Building ☐ 41 Residential ☐ 42 Non-residential ☐ 47 Demolition	Prep ☐ 23 Roads/Maint ☐ 84 Landfill/Refuse ☐ 93 Nursery / Landscape	Road Building ☐ 45 Bridge Construction ☐ 49 Hwy / Street Const ☐ 51 Paving-Drives,Lots,etc ☐ 61 Manufacturing/Ind ☐ 67 Scrap Handling	Others ☐ 35 Oil Field ☐ 71 Airports ☐ 74 Rail Roads ☐ 79 Cemeteries ☐ 80 Recycling ☐ 87 Parks / Cemeteries ☐ 90 JD Dealer Owned Rental Fleet ☐ 92 Highway Moving ☐ 94 Golf Courses ☐ 95 Institutions ☐ 96 Independent Rental Co
	Earthmoving ☐ 12 Land Improvement ☐ 28 Skidding / Forwarding ☐ 39 Residential ☐ 40 Non-residential ☐ 78 Environment Cleanup	Materials Handling ☐ 56 Port/Stevador ☐ 75 Asphalt/Concrete Prod ☐ 76 Sand / Gravel/Stone ☐ 77 Brick/Clay/Stone/Glass ☐ 85 Chemical Plant ☐ 86 Steel Mill		

Customer's Initials _____
Date _____

RENTAL AGREEMENT

Salesperson Name/Number			Rental # 121074	
Name	Lessee: CITY OF ELDORADO	Begin Date: 4/1/2019	End Date: 3/31/2020	
Street	222 E 2ND AVE	Dealer Account Number 177713	Do NOT write in shaded areas. For office use only.	
City, ST, Zip Code	EL DORADO KS 67042	Murphy Tractor Name and Address Location: PARK CITY, KS 5255 N DEERE RD PARK CITY KS 67213	Number of Months	
Telephone Number	3163219100	Murphy Tractor Phone Number: 3169421457	Applied Date	
Contact	GARY	Murphy Tractor Contact:	Payments Applied	
Customer PO				
Percentage of Rental Payments Applied to Purchase Option: <u>0</u> %		Rental Rate Per: ☐ Hour ☐ Day ☐ Week ☐ Month	\$6,350.00	
Security Deposit: _____		X Minimum Rental Period	0	
Maximum Hours No More Than: <u>0</u> hours/day <u>0</u> hours/week <u>0</u> hours/month		+ Taxes	\$0.00	
		+ Additional Charges	\$0.00	
		Total Rental Charge	\$6,350.00	
Notes:				
EQUIPMENT WILL BE USED AT:		(County, City, State) BUTLER EL DORADO KS	Lessee will not remove the equipment from this location without written permission from Lessor.	
Doc Ref No	Model	Description of Equipment	Serial Number	Hour Meter Reading
158759	323E	DORF EH JYSTK, 2 SPD, STD HYD, CAB/AC70	1T0323EKCHJ320560	10
162144	CWP76C			0
			Total Present Value	\$74,008.82
		Present Value	%	

PURCHASER (select only if applicable) Non Governmental: Governmental:	MARKET USE (select only if applicable) Agriculture: Building: Earthmoving: Forestry: Prep:	(select only if applicable) Materials/Handling: Mining Quarrying: Road Building: Underground: Others:
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THIS RENTAL AGREEMENT IS SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET OUT ON THE FOLLOWING PAGES HEREOF.
ALL OF WHICH ARE HEREBY MADE A PART OF THIS RENTAL AGREEMENT.

LESSEE (Customer)	LESSOR (Dealer)
	BY

1. General. The above-named Lessor hereby leases to the above named Lessee the equipment listed herein ("Equipment") for the term and with the rental payments set out above. Rental payments shall be made to Lessor at the address shown above or to such other person and address as Lessor may direct from time to time. Lessee will pay the cost of transporting the Equipment from Lessor's place of business and returning it thereto. Such transportation shall take place during the term hereof. Lessee agrees to remit to Lessor the rental payments and all other amounts when due and payable, even if Lessor does not send Lessee a bill or an invoice. Lessee agrees that any amount due under this Rental Agreement, may, if specified above, at the option of the Lessor, be submitted by Lessor as a charge authorized by Lessee to the PowerPlan or Farm Plan account of Lessee, and Lessee agrees that the terms of that account shall thereafter apply to any accepted charges. For any payment which is not received by its due date, Lessee agrees to pay a late charge equal to 5% of the past due amount (not to exceed the maximum amount permitted by law) as reasonable collection costs, plus interest from the due date until paid at a rate of 1.5% per month, but in no event more than the maximum lawful rate. Restrictive endorsements on checks Lessee sends to Lessor will not change or reduce Lessee's obligations to Lessor. If a payment is returned to Lessor by the bank for any reason, Lessee agrees to pay Lessor a fee of \$50.00, or the maximum amount permitted by law, whichever is less. Rental payments and other payments may be applied, at Lessor's discretion, to any obligation Lessee may have to Lessor or its assignee or any affiliate of Lessor or its assignee. If the total of all payments made during the rental term exceeds the total of all amounts due under the Rental Agreement by less than \$50, Lessor may retain such excess. Rental terms and conditions from all invoices, monthly statements, or other agreements between Lessor and Lessee are hereby incorporated into this Rental Agreement. **LESSEE'S PAYMENT OBLIGATIONS ARE ABSOLUTE AND UNCONDITIONAL, AND ARE NOT SUBJECT TO CANCELLATION, REDUCTION OR SETOFF FOR ANY REASON WHATSOEVER.**

2. Security Deposit. Any Security Deposit will be held by Lessor in a non-interest bearing account, commingled with other funds. Lessor may apply the Security Deposit to any amounts due under the Rental Agreement and, if Lessor does so, Lessee agrees to promptly remit to Lessor the amount necessary to restore the Security Deposit to the original amount. The Security Deposit will be returned to Lessee within thirty days of termination of the Rental Agreement and final inspection by Lessor, provided Lessee is not in default.

3. Equipment Use. LESSOR HAS NOT MADE, AND DOES NOT MAKE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, OR OTHERWISE. Lessor is the owner of the Equipment and the Lessee has only the right to use the Equipment under the terms of this Rental Agreement. You agree to USE THE EQUIPMENT ONLY FOR CONSTRUCTION, AGRICULTURAL, BUSINESS OR COMMERCIAL PURPOSES AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES. It is contemplated that the Equipment will be operated for not more than the Maximum Hours specified above, and Lessee agrees to pay additional rental prorated at the applicable daily, weekly or monthly rate for each hour the Equipment is used in excess of the Maximum Hours. The additional rent for excess hours shall be paid at the time the Equipment is returned or, if the Equipment is rented for more than thirty days, on the first day of the month following such use. If there is an hour meter furnished, Lessee agrees to keep it connected to the Equipment and in good working condition at all times and it is to be used as the conclusive basis of the number of hours or operation. Lessee agrees to affix and maintain, in a prominent place on the Equipment, any labels, plates or other markings Lessor may provide. Lessee agrees to pay \$_____ if the hour meter is damaged or rendered inoperative during the term of this Rental Agreement. Lessee shall indemnify Lessor against all loss or damage to the Equipment while it is out of Lessor's possession. Damage to the Equipment, shall not abate or excuse the making of prescribed rental payments. Lessee agrees to use and care for the Equipment in a careful and prudent manner, to pay all operation and maintenance expenses while the Equipment is out of the possession of Lessor, and to make, at Lessee's sole expense, any and all repairs. Lessee agrees (a) to not move the Equipment to another county or state without notifying Lessor within 30 days; (b) to operate and maintain the Equipment in accordance with all (1) laws, ordinances and regulations, (2) manuals and other instructions issued by the manufacturer(s) and supplier(s), and (3) insurance policy terms and requirements; (c) to perform (at Lessee's expense) all maintenance and repairs necessary to keep the Equipment in as good a condition as when delivered to Lessee, reasonable wear excepted; (d) to not install any accessory or device on the Equipment, unless it can be removed without damaging the Equipment or in any way affecting the value, useful life, or originally intended use of the Equipment; (e) to not represent the Equipment as owned by Lessee or to pledge the Equipment as collateral to any lender or other party; (f) to load, unload, transport, and secure for transport, in accordance with all laws; (g) to acquire or purchase all proper permits in compliance with all federal and state traffic laws. Upon any expiration or termination of this Rental Agreement, all Equipment shall be returned by Lessee at Lessee's sole expense and in satisfactory condition, along with all use, maintenance and repair records. Equipment is in satisfactory condition if it is in as good a condition as when the Equipment was delivered to Lessee, reasonable wear excepted, and conforms to any maintenance standards incorporated into the Rental Agreement. If, upon its return to Lessor, the Equipment is not in such good condition, Lessor may repair it and Lessee will pay the cost of any such repairs at Lessor's regular shop rates. If Lessee fails to return the Equipment promptly upon any expiration or termination of this Rental Agreement, additional rent shall be payable by Lessee for each day the Lessee remains in possession of the Equipment, in an amount prorated at one and one-half times the normal rental payment amount. Lessee agrees to keep the Equipment free and clear of liens and encumbrances, except those in Lessor's favor, and promptly notify Lessor if a lien or encumbrance is placed or threatened against the Equipment. The Equipment may be equipped with telematics hardware and software ("Telematics") that transmit data to Lessor, John Deere, or other John Deere dealers. Lessee agrees that Lessor, John Deere and other John Deere dealers (their affiliates, successors and assigns), without further notice to Lessee have the right to: (i) access, use, collect and disclose any data generated by, collected by, or stored in, the Equipment or any hardware or devices interfacing with the Equipment ("Machine Data"); (ii) access Machine Data directly through data reporting devices integrated within, or attached to, the Equipment, including Telematics ("Data Reporting Systems"); and (iii) update the Data Reporting Systems software from time to time. Machine Data may be transferred out of the country where it is generated, including to the U.S.A. In the event that the Machine Data includes Lessee's personal information, Lessee hereby consents to the collection, use and disclosure of such personal information, to permit Lessor, John Deere and other John Deere dealers to access and use the Machine Data as set forth herein. Lessee warrants that it has obtained any necessary consent from its employees or any other third parties, including with respect to the transfer of Machine Data to other jurisdictions, to comply with any applicable privacy laws or contractual agreements with such employees or third parties and to permit Lessor, John Deere and other John Deere dealers to access and use the Machine Data as set forth herein. Lessee shall not use the Data Reporting Systems to track the location of any person unless Lessee has first obtained any necessary approvals from such person to permit Lessee, Lessor, John Deere and other John Deere dealers to track such location. Lessee shall not remove, modify or disable any Data Reporting Systems without Lessor's prior written consent.

4. Risk of Loss. Lessee unconditionally assumes all risk and liability for all damages for injuries or death to person and property arising out of or related (whether directly or indirectly) to the use, rental, possession or transportation of the Equipment including, but not limited to, any claims that Lessor was negligent, failed to warn Lessee of any risks or dangers associated with use, possession or transportation of the Equipment, or failed to assist Lessee load, unload, transport or inspect the Equipment before, during or after the Term of Lease. Lessee, at their own expense will carry public liability insurance with minimum liability limits in the amount of \$1,000,000 per person and \$1,000,000 per occurrence for bodily injury, including death, and in the minimum amount of \$100,000 per occurrence for property damage. In addition, Lessee will maintain property insurance for all loss or damage to the equipment for not less than 100% of the equipment value and accessories. All insurance must be with companies and policies acceptable to Lessor which shall list Lessor as an additional loss payee & joint payee of any Equipment insurance claim proceeds. Lessee's obligation to insure the Equipment continues until Lessee returns the Equipment to Lessor and Lessor accepts it. Neither Lessor, its assigns, the wholesale distributor nor the Manufacturer shall be liable for any special, incidental, consequential or punitive damages that may result from any failure or use of the Equipment or for breach of this Agreement. Until the Equipment is returned to Lessor in satisfactory condition, Lessee is responsible for all risk of loss and damage, loss, theft, destruction or seizure of the Equipment. Lessee must promptly notify Lessor of any such event. In the event of any loss or damage to the Equipment, Lessee agrees to promptly repair or replace the Equipment to Lessor's satisfaction, at Lessee's sole cost, and the terms of the Rental Agreement will continue to apply throughout the Rental Agreement term.

5. Purchase Option. Upon expiration of the term of the Rental Agreement or at any time during such term, and provided Lessee is not in default, Lessee may elect to purchase the Equipment for the "Total Present Value" shown above (plus applicable taxes, including estimated property taxes) and may apply to such purchase price the percentage specified above of all rentals therefore paid. Such election shall be evidenced by execution of a purchase order form supplied by Lessor, together with payment of the remainder of the purchase price in cash or settlement for the equipment in some other manner agreed to in writing by the parties. Lessor has not made and does not warrant, represent, or otherwise make any promises related to financing the purchase price of the Equipment. Lessee is solely responsible for securing the purchase price of the Equipment. Upon receipt of the remainder of the purchase price, we will transfer to you all of our right, title and interest in the purchased equipment AS-IS, WHEREIS, WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER. The terms of the Rental Agreement continue prior to any final transfer of Lessor's right, title and interest in the purchased Equipment including Lessee's agreement to make timely rental payments.

6. Indemnification. Lessee shall be solely responsible for all losses, damages, injuries, death, suits, actions, claims, attorneys' fees and costs ("Claims"), incurred or asserted by any person, in any manner related to the Equipment or the use, rental, possession or transportation thereof including any Claims Lessor was negligent. Lessee agrees to protect, defend and indemnify and hold Lessor harmless from and against all Claims of any kind or nature whatsoever, although Lessor reserves the right to control the defense and to select or approve defense counsel. Lessee will promptly notify Lessor of all Claims made. Lessee's liability under this Section is not limited to the amounts of insurance required under this Rental Agreement. This indemnity commences upon the Rental Term Begin Date of this Rental Agreement and continues beyond the termination of this Rental Agreement, for acts or omissions, which occurred during the Rental Agreement term. Lessee waives all rights and remedies conferred upon a lessee under Article 2A of the Uniform Commercial Code.

7. Addition of Accessories. Lessee will not, without the express written consent of Lessor, install any accessories or devices on the Equipment if such installation will impair the originally intended function or use of the Equipment. All accessories or devices affixed to the Equipment shall automatically become the property of Lessor unless such accessory device can be removed without in any way (a) diminishing the value of the Equipment, or (b) affecting the originally intended function or use of the Equipment. Any damage to the Equipment caused by the removal of such accessories or devices shall be promptly repaired at Lessee's sole expense to the satisfaction of Lessor.

8. Compliance with Regulations. Lessee shall comply with and conform to all laws and regulations relating to ownership, possession, use, transportation and maintenance of the Equipment. If applicable law requires tax returns or reports to be filed by Lessee, Lessee agrees to promptly file such tax returns and reports and deliver copies to Lessor. Lessee agrees to keep and make available to Lessor all tax returns and reports for taxes paid by Lessee. If applicable, Lessee shall include the Equipment in its rental fleet for emissions reporting purposes and shall accurately prepare and file all such reports in a timely manner.

9. Inspection. Lessee shall, whenever requested, advise Lessor of the exact location of the Equipment. Lessor and its representatives may, for the purpose of inspection, at all reasonable times, enter upon any job, building or place where the Equipment is located. Lessor, John Deere and other John Deere dealers may use Data Reporting Systems at any time during the term of this Rental Agreement to collect Machine Data from the Equipment and determine its location, condition, or other operating parameters.

Customer's Initials _____
Date _____

10. Assignment. Lessor may, without notice to Lessee, assign this Rental Agreement and all of Lessor's rights in and to the Equipment and all rents due or to become due to Lessor hereunder. Lessee's obligation to pay rent under this Rental Agreement shall not as to any such assignee be subject to any diminution arising out of any breach of any obligation hereunder or other liability of Lessor to Lessee. Lessee may not assign this Rental Agreement, sub-lease or allow anyone other than Lessee's employees to use the Equipment. Lessee agrees not to assert against Lessor's assignee any claims, offsets or defenses which Lessee may have against Lessor.

11. Default. If (a) Lessee shall (1) fail to make rental, service, or other payment when due; (2) attempt to sell or encumber the equipment; (3) cease operating; (4) institute or have instituted against him proceedings under any bankruptcy or insolvency law; (5) make an assignment for the benefit of creditors; (6) fail to comply with any other provisions of this Rental Agreement; (7) merge with or consolidate into another entity; (8) sell substantially all its assets; (9) dissolve or terminate its existence; (10) use the Equipment in a manner Lessor deems improper or unreasonable; or (11) Lessee (if an individual) dies, or if, (b) any attachment, execution, writ of process is levied against the Equipment or any of Lessee's property, or if (c) a default occurs under any other agreement between Lessee (or any of Lessee's affiliates) and Lessor (or any of Lessor's affiliates); or if (d) for any reason Lessor deems itself insecure or the Equipment unsafe; or if (e) Lessor, in its opinion, deems Lessee's financial condition unsatisfactory Lessor may determine that Lessee is in default (an "Event of Default").

12. Remedies. Upon the occurrence of an Event of Default, Lessee shall (a) deliver the Equipment to Lessor on demand and Lessor may enter upon any job, building or place where the Equipment is located and take possession thereof without notice to Lessee, and this Rental Agreement shall hereupon terminate and be forfeited at the option of Lessor (b) AS LIQUIDATED DAMAGES FOR LOSS OF BARGAIN AND NOT AS A PENALTY, pay the sum of (i) all rent and other amounts then due and payable to Lessor; plus (ii) the present value of all remaining rent payments and other amounts, discounted at the rate implicit in this Rental Agreement, (c) pay damages for any injury to the Equipment, legal expenses (including, without limitation, court costs and attorney's fees), the cost of any repossession and/or removal of the Equipment from the possession of Lessee, and all freight, storage, transportation and other charges incurred in such removal and return to Lessor at its place of business. Upon the occurrence of an Event of Default, Lessor may also exercise any other remedy available at law or in equity. These remedies are cumulative, are in addition to any other remedies provided for by law, and may be exercised concurrently or separately at any time. **No delay in, or failure to, exercise or enforce any right or remedy hereunder, whether in whole or in part, shall serve to waive, compromise, impair or diminish any such rights or remedies.**

13. Construction. This is an agreement for Equipment rental only and nothing herein shall be construed as conveying to Lessee any right, title or interest in or to any item of Equipment rented hereunder except as a Lessee. This Rental Agreement supersedes and replaces all prior understandings and communications (oral or written) concerning the subject matter thereof. **In the event of an ambiguity in or dispute regarding the interpretation of this Rental Agreement, interpretation shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the drafting party.** If a court finds any part of this Rental Agreement to be invalid or unenforceable, the remainder of this Rental Agreement will remain in effect. Lessee permits Lessor to monitor and record telephone conversations between Lessee and Lessor.

14. Guaranteed Rental - Return of Equipment. Provided the guaranteed rental shown on Page 1 is or has been paid, Lessee may return the Equipment and terminate this Rental Agreement on three days' notice to Lessor. In the event such termination occurs prior to the expiration of the Rental Agreement term, Lessee agrees to (a) promptly deliver the Equipment to Lessor at the time and place Lessor chooses; and (b) pay to Lessor the remainder of all rental payments for the Minimum Rental Period guaranteed by Lessee, which will all be immediately due and payable. If this Rental Agreement is terminated for any reason and Lessee does not return the Equipment to Lessor, Lessee agrees to remit to Lessor, until such time as the Equipment is returned to Lessor in accordance with the provisions of this Section, additional lease payments each month equal the Rental Rate, or its monthly equivalent.

15. Replacement. Lessor may, at Lessor's option, replace the Equipment with a similar machine at any time during the rental term. Lessor will notify Lessee if Lessor intends to exercise this option, and Lessee will have three (3) business days following such notice in which to exercise the purchase option provided in this Lease or return the Equipment to Lessor. Upon return of the Equipment to Lessor, the rental term hereunder shall terminate, and the parties will enter into a new original Rental Agreement covering the replacement machine. Such new Rental Agreement shall extend, at a minimum, for the remainder of this Rental Agreement's rental term and shall have a Rental Rate no greater than the rate for rental of the Equipment hereunder.

16. Lessee Representations and Warranties. Lessee represents, warrants and covenants to Lessor so long as this Rental Agreement is in effect, that: (a) execution, delivery and performance by Lessee of this Rental Agreement does not and will not (1) violate any applicable law; (2) breach any order of court or other governmental agency, or of any undertaking Lessee is a party to or by which Lessee is bound; (b) Lessee will comply with all applicable laws, ordinances and regulations; (c) Lessee will not take any action, including filing any tax or other report, that is inconsistent with Lessor's ownership of the Equipment; (d) all information Lessee has given to Lessor is true, accurate and complete; (e) since the date of the most recent financial information given to Lessor, no material adverse change in Lessee's business, assets, or prospects has occurred; (f) Lessee will promptly deliver to Lessor such financial statements, reports and other information as Lessor may request; (g) Lessee is and will remain duly organized, validly existing and in good standing under the laws of Lessee's jurisdiction of organization; (h) Lessee is qualified to do business under the laws of all other jurisdictions where qualification is required or advisable; and (i) the execution, delivery and performance by Lessee of the Rental Agreement will not breach any provision of Lessee's organizational documents or legal authority. Lessee acknowledges and agrees, that (1) the Equipment was selected by Lessee; (2) the Equipment (including all manufacturer manuals and instructions) has been delivered to, and examined by, Lessee (3) the safe operation and the proper servicing of the Equipment were explained to Lessee (4) Lessee received the written warranty applicable to the Equipment and understands that the written warranty is not a part of this Rental Agreement.

17. General. Time is of the essence of this Rental Agreement. **LESSOR AND LESSEE EACH IRREVOCABLY WAIVE ANY RIGHT EITHER OF THEM MAY HAVE TO A JURY TRIAL.** Lessor's failure at any time to require strict performance by Lessee of any of the provisions of this Rental Agreement shall not waive or diminish Lessor's right thereafter to demands strict compliance therewith or with any provision. Waiver of any default shall not waive any other default. Any alteration or modification of this Rental Agreement shall be in writing and signed by the parties hereto. Lessee acknowledges receipt of a signed copy hereof. Lessee irrevocably authorizes Lessor, at any time, to (a) insert or correct information on this Rental Agreement, including Lessee's correct legal name, serial numbers and Equipment descriptions; (b) submit notices and proofs of loss for any required insurance; and (c) endorse Lessee's name on remittances for insurance and Equipment sale or rental proceeds.

Use this page if printing agreement prior to completing. This information is used when completing rental loads in the John Deere system.

For Office Use Only

PURCHASER (check one)	MARKET USE (check one)			
Non Governmental ☐ S Small Fleet (<10) ☐ M Medium Fleet (10-24) ☐ L Large Fleet (25-75) ☐ V Very Large (75+)	Agricultural ☐ 13 Livestock/Feed/Dairy ☐ 15 Row Crop/Small Grain ☐ 16 Specialty Crop ☐ 17 General Utility	Forestry ☐ 21 Harvesting ☐ 22 Reforestation/Site ☐ 24 Log Loading/Handling ☐ 25 Wood Handling/Yards ☐ 26 Timber Felling/Bunching ☐ 27 Stroke Delimbing	Mining / Quarrying ☐ 30 Mining Services ☐ 31 Metallic Mining ☐ 34 Coal Mining ☐ 36 Stone Aggregate	Underground ☐ 50 Energy Related Pipe ☐ 82 Gas/Water/Electric ☐ 43 Sewer / Water Sys ☐ 81 Telephone Co.
Governmental ☐ 2 Federal Govt. ☐ 3 State Govt. ☐ 4 County Govt. ☐ 5 Local Govt. ☐ 6 Armed Forces ☐ 7 National Account	Building ☐ 41 Residential ☐ 42 Non-residential ☐ 47 Demolition	Prep ☐ 23 Roads/Maint ☐ 84 Landfill/Refuse ☐ 93 Nursery / Landscape	Road Building ☐ 45 Bridge Construction ☐ 49 Hwy / Street Const ☐ 51 Paving-Drives,Lots,etc ☐ 61 Manufacturing/Ind ☐ 67 Scrap Handling	Others ☐ 35 Oil Field ☐ 71 Airports ☐ 74 Rail Roads ☐ 79 Cemeteries ☐ 80 Recycling ☐ 87 Parks / Cemeteries ☐ 90 JD Dealer Owned Rental Fleet ☐ 92 Highway Moving ☐ 94 Golf Courses ☐ 95 Institutions ☐ 96 Independent Rental Co
	Earthmoving ☐ 12 Land Improvement ☐ 28 Skidding / Forwarding ☐ 39 Residential ☐ 40 Non-residential ☐ 78 Environment Cleanup	Materials Handling ☐ 56 Port/Stevador ☐ 75 Asphalt/Concrete Prod ☐ 76 Sand / Gravel/Stone ☐ 77 Brick/Clay/Stone/Glass ☐ 85 Chemical Plant ☐ 86 Steel Mill		

Customer's Initials _____
Date _____

2018 Commission Priorities

Water Sales • Community Image • Industrial and Business Parks • Parks and Recreation • Public Safety

TO: City Commission
FROM: Tabitha Sharp, City Clerk
SUBJ: Municipal Court Municipal Code Amendment
DATE: April 1, 2019

Background:

The City Commission heard a proposal for a municipal code amendment regarding failure to appear and community service at the meeting on March 18th. The Commission asked staff to revisit the community service portion. The City Attorney and Prosecutor are working on a new amendment for community service, but staff are requesting that the failure to appear be approved and staff will bring the other back at a later date.

Policy Issue:

The City Commission must approve all amendments to the municipal code, and the code must be amended to comply with State Statute.

Fiscal Impact:

Should someone be charged with Failure to Appear, there is the possibility of \$500 in revenue.

Trade-offs:

None

Staff Recommendation:

None

Commission Actions:

Commissioner _____ moved to approve Ordinance No. _____, an ordinance amending the City of El Dorado, Kansas Municipal Code pertaining to the Municipal Court.

Commissioner _____ seconded the motion.

Roll Call Vote

	Mayor Vince Haines	_____
Position No. 1	Commissioner Matt Guthrie	_____
Position No. 2	Commissioner Gregg Lewis	_____
Position No. 3	Commissioner Nick Badwey	_____
Position No. 4	Commissioner Kendra Wilkinson	_____

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF EL DORADO AMENDING
CHAPTER 2 OF THE CITY OF EL DORADO, KANSAS MUNICIPAL
CODE PERTAINING TO THE MUNICIPAL COURT**

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF EL DORADO, KANSAS:

Section 1: Section 2.32.075 of the City of El Dorado Municipal Code shall be added to read as follows:

2.32.075 Failure to appear in municipal court.

Any person charged with a violation of any section of the code of the city, which constitutes a misdemeanor or an infraction, who commits any of the following acts is guilty of a misdemeanor, and upon conviction, shall be punished by a fine of not more than five hundred dollars (\$500.00) or by imprisonment for not more than six (6) months, or by both such fine and imprisonment:

- a) Fails to appear in court at the designated time, after being released from custody on bond, with or without surety, or on their own recognizance;
- b) Fails to appear in court, at the designated time, in response to a summons or notice to appear personally served on him or her; or
- c) Fails to appear in court, at the designated time by order of the court, communicated to said person orally or in writing; or
- d) Fails to surrender his or herself to the court within thirty days after his or her conviction of a misdemeanor has become final, when released on an appearance bond with or without surety, or upon his or her own recognizance.

Section 2: That all other ordinances or parts of ordinances in conflict herewith are hereby repealed. In all other respects, Chapter 2.32 shall be and remain unchanged.

Section 3: That the City Clerk is hereby ordered and directed to cause this ordinance to be published once in the official city newspaper.

Section 4: That this ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect immediately after the date of its final passage and adoption.

PASSED AND APPROVED by the Governing Body on this 1st day of April, 2019.

(SEAL)

Vince Haines, Mayor

ATTEST

Tabitha Sharp, City Clerk

APPROVED AS TO FORM

Ashlyn Lindskog, City Attorney

2018 Commission Priorities

Water Sales • Community Image • Industrial and Business Parks • Parks and Recreation • Public Safety

TO: City Commission
 FROM: Tabitha Sharp, City Clerk
 SUBJ: 2019 A Series Bond Sale
 DATE: March 14, 2019

Background:

The City Commission has previously authorized a bond sale that will take place on April 1st. The Financial Advisor and/or Bond Counsel will be present to review the bond sale. The following projects are included.

<u>Project Description</u>	<u>Ord/Res. No.</u>	<u>Authority (K.S.A.)</u>	<u>Amount</u>
Project No. 421 – Paving Improvements Belmont Heights 3 rd Addition	2723	12-6a01 <i>et seq.</i>	\$ 208,789.68
Project No. 422 – Sanitary Sewer Improvements Belmont Heights 3 rd Addition	2724	12-6a01 <i>et seq.</i>	56,077.33
Project No. 436 – Paving Improvements Criss 9 th Addition	2734	12-6a01 <i>et seq.</i>	459,917.23
Project No. 437 – Sanitary Sewer Improvements Criss 9 th Addition	2735	12-6a01 <i>et seq.</i>	147,696.89
Project No. 443 – Paving Improvements Belmont Heights 3 rd Addition	2732	12-6a01 <i>et seq.</i>	274,092.03
Project No. 444 – Sanitary Sewer Improvements Belmont Heights 3 rd Addition	2733	12-6a01 <i>et seq.</i>	56,320.88
Project No. 477 – Paving Improvements Gueda Street	2806	12-6a01 <i>et seq.</i>	99,210.43
Project No. 486 – Paving Improvements Locust Avenue	2810	12-6a01 <i>et seq.</i>	168,895.65
Project No. 491 – Paving Improvements Griffith Street	2815/2818/2833	12-6a01 <i>et seq.</i>	758,183.62
Project No. 506 – Paving Improvements N. Haverhill	2828	12-6a01 <i>et seq.</i>	44,288.05
Project No. 500 – Main Trafficway Improvements	G-1232/2832	12-685 <i>et seq.</i>	89,322.41
Project No. 513 – Paving Improvements Country Club Road	2843	12-6a01 <i>et seq.</i>	<u>663,155.44</u>
Total			\$3,025,949.64

Policy Issue:

The City Commission must approve the bond issue.

Fiscal Impact:

The principal bond amount will be \$2,970,000. Once the bond sale is complete, we will have information regarding the interest amount to be charged and annual principal payments. Project Nos. 422, 437 and 444 will be paid from the Sewer Fund. All others will be paid from the Bond and Interest Fund.

Trade-offs:

None

Staff Recommendation:

Approve the bond issue.

Commission Actions:

MOTION #1

Commissioner _____ moved to approve Ordinance No. G_____, an Ordinance authorizing and providing for the issuance of General Obligation Improvement Bonds, Series 2019A, of the City of El Dorado, 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.

Commissioner _____ seconded the motion.

ROLL CALL VOTE

	Mayor Haines	_____
Position No. 1	Commissioner Locke	_____
Position No. 2	Commissioner Lewis	_____
Position No. 3	Commissioner Badwey	_____
Position No. 4	Commissioner Wilkinson	_____

MOTION #2

Commissioner _____ moved to approve Resolution No. _____, a Resolution prescribing the form and details of and authorizing and directing the sale and delivery of General Obligation Improvement Bonds, Series 2019A, of the City of El Dorado, Kansas, previously authorized by Ordinance No. G_____, 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.

Commissioner _____ seconded the motion.

**EXCERPT OF MINUTES OF A MEETING
OF THE CITY COMMISSION OF
THE CITY OF EL DORADO, KANSAS
HELD ON APRIL 1, 2019**

The City Commission (the "Governing Body") met in regular session at the usual meeting place in the City, at 6:30 P.M., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

The Clerk reported that pursuant to the Notice of Bond Sale heretofore duly given, bids for the purchase of General Obligation Improvement Bonds, Series 2019A, dated May 1, 2019, of the City had been received. A tabulation of said bids is set forth as **EXHIBIT A** hereto.

The Governing Body reviewed and considered the bids and it was found and determined that the bid of [PURCHASER], [PURCHASER CITY, STATE], was the best bid for the Bonds, a copy of which is attached hereto as **EXHIBIT B**.

Commissioner _____ moved that the bid be accepted and that the Mayor and Clerk be authorized and directed to execute the bid form selling the Bonds to the best bidder on the basis of the bid and the terms specified in the Notice of Bond Sale. The motion was seconded by Commissioner _____. The motion was carried by a vote of the Governing Body as follows:

Yea: _____.

Nay: _____.

Thereupon, there was presented an Ordinance entitled:

**AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF
GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A, OF THE
CITY OF EL DORADO, 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.**

Commissioner _____ moved that the Ordinance be passed. The motion was seconded by Commissioner _____. The Ordinance was duly read and considered, and

upon being put, the motion for the passage of said Ordinance was carried by the vote of the Governing Body as follows:

Yea: _____.

Nay: _____.

The Mayor declared the Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. [____], was signed by the Mayor and attested by the Clerk and the Ordinance or a summary thereof was directed to be published one time in the official newspaper of the City.

There was presented a Resolution entitled:

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A, OF THE CITY OF EL DORADO, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. [____] 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.

Commissioner _____ moved that the Resolution be adopted. The motion was seconded by Commissioner _____. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the vote of the Governing Body as follows:

Yea: _____.

Nay: _____.

The Mayor declared the Resolution duly adopted and the Resolution was then duly numbered Resolution No. [____], and was signed by the Mayor and attested by the Clerk.

* * * * *

(Other Proceedings)

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On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the Governing Body of the City of El Dorado, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Clerk

EXHIBIT A
BID TABULATION

CITY OF EL DORADO, KANSAS
GENERAL OBLIGATION IMPROVEMENT BONDS

Dated: May 1, 2019
Series 2019A
Good Faith Deposit: \$[_____]

Sale Date: April 1, 2019
10:00 A.M. A.M., Central Time
Max Interest Rate: [____]%

BIDDERS

EXHIBIT B

(BID OF PURCHASER)

ORDINANCE NO. [____]

OF

THE CITY OF EL DORADO, KANSAS

PASSED

APRIL 1, 2019

**GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A**

ORDINANCE NO. [____]

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A, OF THE CITY OF EL DORADO, 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 El Dorado, 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, the City Commission of the City (the “Governing Body”) has caused the following improvements (the “Improvements”) to be made in the City, to-wit:

<u>Project Description</u>	<u>Ord/Res. No.</u>	<u>Authority (K.S.A.)</u>	<u>Amount</u>
Project No. 421 – Paving Improvements Belmont Heights 3 rd Addition	2723	12-6a01 <i>et seq.</i>	\$ 208,789.68
Project No. 422 – Sanitary Sewer Improvements Belmont Heights 3 rd Addition	2724	12-6a01 <i>et seq.</i>	56,077.33
Project No. 436 – Paving Improvements Criss 9 th Addition	2734	12-6a01 <i>et seq.</i>	459,917.23
Project No. 437 – Sanitary Sewer Improvements Criss 9 th Addition	2735	12-6a01 <i>et seq.</i>	147,696.89
Project No. 443 – Paving Improvements Belmont Heights 3 rd Addition	2732	12-6a01 <i>et seq.</i>	274,092.03
Project No. 444 – Sanitary Sewer Improvements Belmont Heights 3 rd Addition	2733	12-6a01 <i>et seq.</i>	56,320.88
Project No. 477 – Paving Improvements Gueda Street	2806	12-6a01 <i>et seq.</i>	99,210.43
Project No. 486 – Paving Improvements Locust Avenue	2810	12-6a01 <i>et seq.</i>	168,895.65
Project No. 491 – Paving Improvements Griffith Street	2815/2818/2833	12-6a01 <i>et seq.</i>	758,183.62
Project No. 506 – Paving Improvements N. Haverhill	2828	12-6a01 <i>et seq.</i>	44,288.05
Project No. 500 – Main Trafficway Improvements	G-1232/2832	12-685 <i>et seq.</i>	89,322.41
Project No. 513 – Paving Improvements Country Club Road	2843	12-6a01 <i>et seq.</i>	<u>663,155.44</u>
<i>Total</i>			<i>\$3,025,949.64</i>

; and

WHEREAS, all legal requirements pertaining to the Improvements have been complied with, and the Governing Body now finds and determines that the total cost of the Improvements (including interest on temporary notes of the City and issuance costs of the general obligation bonds) and related expenses are at least \$[____], and that the owners of the property benefited by the Improvements have paid \$40,524.78 in cash into the City Treasury on account of the Improvements, leaving \$2,970,000* to be paid for by the issuance of general obligation bonds; and

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

WHEREAS, none of such general obligation bonds heretofore authorized have been issued and the City proposes to issue \$2,970,000* of its general obligation bonds[, together with bid premium thereon,] to pay a portion of the costs of the Improvements; 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 CITY COMMISSION OF THE CITY OF EL DORADO, 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. 10-620 *et seq.*, K.S.A. 12-685 *et seq.*, and K.S.A. 12-6a01 *et seq.*, 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 Improvement Bonds, Series 2019A, dated May 1, 2019, authorized by this Ordinance.

“City” means the City of El Dorado, Kansas.

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

“Director of Finance” means the duly appointed and acting Director of Finance of the City or, in the Director of Finance's absence, the duly appointed Deputy, Assistant or Acting Director of Finance of the City.

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

“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 Notes” means the Series 1885 Notes maturing in the year 2020 in the aggregate principal amount of \$2,548,000.

“Series 1885 Notes” means the City's Temporary Notes, Series 1885, dated June 11, 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 Improvement Bonds, Series 2019A, of the City in the principal amount of \$2,970,000*, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; (b) pay costs of issuance of the Bonds; and (c) 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 in part from special assessments levied upon the property benefited by the construction of the Improvements and, if not so paid, 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 balance of the principal and interest on the Bonds is payable 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 and/or assessments upon all of the taxable tangible property within the City in the manner provided by law.

The taxes and/or assessments 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 for the Bonds. The proceeds derived from said taxes and/or assessments shall be deposited in the Bond and Interest Fund.

If at any time said taxes and/or assessments are not collected in time to pay the principal of or interest on the Bonds when due, the City 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 and/or assessments 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 and publication of the Ordinance or a summary thereof in the official City newspaper.

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PASSED by the City Commission on April 1, 2019 and **SIGNED** by the Mayor.

(SEAL)

Mayor

ATTEST:

Clerk

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on April 1, 2019; that the record of the final vote on its passage is found on page ____ of journal ____; and that the Ordinance or a summary thereof was published in the ***Butler County Times-Gazette*** on [____], 20[____].

DATED: [____], 20[____].

Clerk

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(PUBLISHED IN THE *BUTLER COUNTY TIMES-GAZETTE* ON APRIL 6, 2019)

SUMMARY OF ORDINANCE NO. [____]

On April 1, 2019, the governing body of the City of El Dorado, Kansas passed an ordinance entitled:

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A, OF THE CITY OF EL DORADO, 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.

The Series 2019A Bonds approved by the Ordinance are being issued in the principal amount of \$2,970,000*, to finance certain internal improvements in the City, and constitute general obligations of the City payable as to both principal and interest, to the extent necessary, 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. A complete text of the Ordinance may be obtained or viewed free of charge at the office of the City Clerk, City Hall, 220 East 1st Ave. A reproduction of the Ordinance is available for not less than 7 days following the publication date of this Summary at <https://www.eldoks.com/>.

This Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: April 1, 2019.

City Attorney

RESOLUTION NO. [____]

OF

THE CITY OF EL DORADO, KANSAS

ADOPTED

APRIL 1, 2019

**GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A**

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RESOLUTION NO. [____]

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A, OF THE CITY OF EL DORADO, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. [____] 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 Issuer has heretofore passed the Ordinance authorizing the issuance of the Bonds;
and

WHEREAS, the Ordinance authorized the City Commission 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 CITY COMMISSION OF THE CITY OF EL DORADO, 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. 12-685, K.S.A. 10-620 *et seq.*, and K.S.A. 12-6a01 *et seq.*, 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” or **“Bond”** means the General Obligation Improvement Bonds, Series 2019A, 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 El Dorado, 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.

“Compliance Account” means the Compliance Account created pursuant to **Section 501** hereof.

“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.

“Costs of Issuance Account” means the Costs of Issuance Account for General Obligation Improvement Bonds, Series 2019A created pursuant to **Section 501** hereof.

“Dated Date” means May 1, 2019.

“Debt Service Account” means the Debt Service Account for General Obligation Improvement Bonds, Series 2019A 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.

“Director of Finance” means the duly appointed and acting Director of Finance of the Issuer or, in the Director of Finance's absence, the duly appointed Deputy, Assistant or Acting Director of Finance of the Issuer.

“Disclosure Undertaking” means the Continuing Disclosure Undertaking, dated as of the Dated Date, 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 Commission of the Issuer.

“Improvement Fund” means the Improvement Fund for General Obligation Improvement Bonds, Series 2019A 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 May 1 and November 1 of each year, commencing May 1, 2020.

“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 Hall, 220 East 1st Ave.
Fax: (316) 321-6282

(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:

[Purchaser]
[Purchaser Address]
[Purchaser City, State] [Zip]
Fax: [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

S&P Global Ratings, a division of S&P Global Inc.
55 Water Street, 38th Floor
New York, New York 10004

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. G-[_____] 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 \$[_____]],[, less an original issue discount of \$[_____]].

“Purchaser” means [Purchaser], [Purchaser City, State], 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.

“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 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 Notes” means the Series 1885 Notes maturing in the year 2020 in the aggregate principal amount of \$2,548,000.

“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 May 2, 2019.

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

“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 213* 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 1885 Notes” means the Issuer's Temporary Notes, Series 1885, dated June 11, 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 2039.]

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

[**“2039 Term Bonds”** means the Bonds scheduled to mature in the year 2039.]

[**“Term Bonds”** means collectively the [____] Term Bonds[, the [____] Term Bonds] and the 2039 Term Bonds.]

“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 heretofore authorized and directed to be issued pursuant to the Ordinance in the principal amount of \$2,970,000*, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; (b) pay Costs of Issuance; and (c) 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]

Stated Maturity <u>November 1</u>	Principal <u>Amount</u>	Annual Rate <u>of Interest</u>	Stated Maturity <u>November 1</u>	Principal <u>Amount</u>	Annual Rate <u>of Interest</u>
2020	\$	_____%	2030	\$	_____%
2021			2031		
2022			2032		
2023			2033		
2024			2034		
2025			2035		
2026			2036		
2027			2037		
2028			2038		
2029			2039		

[TERM BONDS]

Stated Maturity <u>November 1</u>	Principal <u>Amount</u>	Annual Rate <u>of Interest</u>
2039	\$_____	_____ %]

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 March 11, 2019, is hereby ratified and approved. For the purpose of enabling the Purchaser to comply with the requirements of Section (b)(1) of the SEC Rule, the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Section (b)(1) of the SEC Rule, and the appropriate officers of the Issuer are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the SEC Rule.

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 Director of Finance 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 November 1 in the years 2030, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on November 1, 2029, 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) [] Term Bonds.] The [] 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 November 1 in each year, the following principal amounts of such [] Term Bonds:

**Principal
Amount**
\$

Year

*

*Final Maturity

[(b) [] Term Bonds. The [] 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 November 1 in each year, the following principal amounts of such [] Term Bonds:

**Principal
Amount**
\$

Year

[]*

*Final Maturity]

[(c) 2039 Term Bonds.] The 2039 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 November 1 in each year, the following principal amounts of such 2039 Term Bonds:

**Principal
Amount**
\$

Year

2039*

*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 Purchaser. 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 in part from special assessments levied upon the property benefited by the construction of the Improvements and, if not so paid, 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 balance of the principal and interest on the Bonds is payable 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 and/or assessments upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes and/or assessments 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 and/or assessments 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 AND OTHER MONEYS

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 Improvement Bonds, Series 2019A.
- (b) Redemption Fund for Refunded Notes.
- (c) Debt Service Account for General Obligation Improvement Bonds, Series 2019A (within the Bond and Interest Fund).
- (d) Costs of Issuance Account for General Obligation Improvement Bonds, Series 2019A.
- (e) Compliance Account.

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 and Other Moneys. The net proceeds received from the sale of the Bonds and certain other funds shall be deposited simultaneously with the delivery of the Bonds as follows:

(a) Excess proceeds, if any, received from the sale of the Bonds shall be deposited in the Debt Service Account.

(b) The sum of \$[_____] shall be deposited in the Costs of Issuance Account.

(c) The sum of \$[_____] shall be deposited in the Improvement Fund.

(d) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited into the Refunded Notes Redemption Fund.

(e) In addition to proceeds of the Bonds, the Issuer will deposit into the Refunded Notes Redemption Fund the amount of \$[_____] , representing special assessments paid in cash for the Improvements.

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; and (d) retiring the Refunded Notes.

Withdrawals from the Improvement Fund shall be made only when authorized by the Governing Body. Each authorization for costs of the Improvements shall be supported by a certificate executed by the Director of Finance (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Authorizations for withdrawals for other authorized purposes shall be supported by a certificate executed by the Director of Finance (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution. Upon completion of the Improvements, any surplus remaining 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 or ordinance 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 or ordinance 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 Refunded Notes Redemption Fund. Moneys in the Refunded Notes Redemption Fund shall be paid and transferred to the Refunded Notes Paying Agent, with irrevocable instructions to apply such amount to the payment of the Refunded Notes on the Refunded Notes Redemption Date. Any moneys remaining in the Refunded Notes Redemption Fund not needed to retire the Refunded Notes 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. 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 Refunded Notes 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.

Section 508. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Compliance Account or Debt Service Account.

Section 509. Application of Moneys in the Compliance Account. Moneys in the Compliance Account shall be used by the Issuer to pay fees and expenses relating to compliance with federal arbitrage law and state or federal securities laws. Any funds remaining in the Compliance Account on the sixth anniversary of the Issue Date shall be transferred to the Debt Service Account.

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, subject to any determination in such action or proceeding or applicable law of the State, 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 and the [Clerk][Director of Finance] 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. The audit report shall contain a statement regarding the Issuer's compliance with the arbitrage rebate covenants contained in the Federal Tax Certificate. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Director of Finance. 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 ordinance or 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 ordinance or 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 or ordinance 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 ordinance or 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 ordinance or 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 ordinance or 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.

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ADOPTED by the City Commission on April 1, 2019.

(SEAL)

Mayor

ATTEST:

Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Bond Resolution of the Issuer adopted by the Governing Body on April 1, 2019, as the same appears of record in my office.

DATED: April 1, 2019.

Clerk

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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 BUTLER
CITY OF EL DORADO
GENERAL OBLIGATION IMPROVEMENT BOND
SERIES 2019A

Interest
Rate:

Maturity
Date:

Dated
Date: May 1, 2019

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of El Dorado, in the County of Butler, 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 the 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 May 1 and November 1 of each year, commencing May 1, 2020 (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.

ADDITIONAL PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

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 EL DORADO, KANSAS

(Facsimile Seal)

By: (facsimile)
Mayor

ATTEST:

By: (facsimile)
Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of a series of General Obligation Improvement Bonds, Series 2019A, of the City of El Dorado, Kansas, described in the within-mentioned Bond Resolution.

Registration Date: _____

Office of the State Treasurer,
Topeka, Kansas,
as Bond Registrar and Paying Agent

By _____

Registration Number: 0135-008-050119-[____]

(FORM OF REVERSE SIDE OF BOND)

ADDITIONAL PROVISIONS

Authorization of Bonds. This Bond is one of an authorized series of Bonds of the Issuer designated “General Obligation Improvement Bonds, Series 2019A,” aggregating the principal amount of \$2,970,000* (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. 12-685 *et seq.*, and K.S.A. 12-6a01 *et seq.*, 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 in part from special assessments levied upon the property benefited by the construction of the Improvements and, if not so paid, 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 balance of the principal and interest on the Bonds is payable 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 set forth 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.

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

GILMORE & BELL, P.C.

Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$_____, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint _____ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____

Name

Social Security or
Taxpayer Identification No.

Signature (Sign here exactly as name(s)
appear on the face of Certificate)

Signature guarantee:

By _____

CERTIFICATE OF CLERK

STATE OF KANSAS)
) SS.
COUNTY OF BUTLER)

The undersigned, Clerk of the City of El Dorado, Kansas, does hereby certify that the within Bond has been duly registered in my office according to law as of May 1, 2019.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

JAKE LATURNER, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in the office of the State Treasurer, and that this Bond was registered in such office according to law on _____.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
Treasurer of the State of Kansas

TRANSCRIPT OF PROCEEDINGS

AUTHORIZING THE ISSUANCE

OF

\$2,970,000*

CITY OF EL DORADO, KANSAS

**GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A**

DATED MAY 1, 2019

Legal Opinion

**Gilmore & Bell, P.C.
Wichita, Kansas**

CITY OF EL DORADO, KANSAS
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A

DATED MAY 1, 2019

CLOSING LIST

The transcript of proceedings will be prepared in electronic format unless otherwise noted, for the above referenced issue (the “Bonds”), and distributed as follows:

1. City of El Dorado, Kansas (the “Issuer”) [*Original + electronic*]
2. Ashlyn B. Lindskog, Esq., El Dorado, Kansas (“Issuer's Counsel”)
3. Attorney General of the State of Kansas [Original]
4. State Treasurer, Topeka, Kansas (the “Paying Agent”)
5. [Purchaser], [Purchaser City, State] (the “Original Purchaser”)
6. Springsted Incorporated, St. Paul, MN 55101 (the “Municipal Advisor”)
7. Gilmore & Bell, P.C., Wichita, Kansas (“Bond Counsel”)

Document
Number

PROCEEDINGS AUTHORIZING THE IMPROVEMENTS

1. **Project 421 - Paving Improvements – Belmont Heights 3rd Addition, Phase I**
 - Engineer's Estimate
 - Map of Improvement District
 - Petition
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2723
 - Resolution No. 2723 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2723
2. **Project 422 – Sanitary Sewer Improvement – Belmont Heights 3rd Addition, Phase I**
 - Engineer's Estimate
 - Map of Improvement District
 - Petition

- Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2724
 - Resolution No. 2724 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2724
3. **Project 436 – Paving Improvements – Criss 9th**
- Engineer's Estimate
 - Map of Improvement District
 - Petition
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2734
 - Resolution No. 2734 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2734
4. **Project 437 – Sanitary Sewer Improvements – Criss 9th**
- Engineer's Estimate
 - Map of Improvement District
 - Petition
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2735
 - Resolution No. 2735 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2735
5. **Project 443 - Paving Improvements – Belmont Heights 3rd Addition Phase II**
- Engineer's Estimate
 - Map of Improvement District
 - Petition
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2732
 - Resolution No. 2732 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2732
6. **Project 444 - Sanitary Sewer Improvements - Belmont Heights 3rd Addition Phase II**
- Engineer's Estimate
 - Map of Improvement District
 - Petition
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2733
 - Resolution No. 2733 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2733
7. **Project 477 – Paving Improvements – Gueda Street**
- Engineer's Estimate
 - Map of Improvement District
 - Petition
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2806
 - Resolution No. 2806 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2806

8. **Project 486 – Paving Improvements – Locust Avenue**
 - Engineer's Estimate
 - Map of Improvement District
 - Petition
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2810
 - Resolution No. 2810 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2810
9. **Project 491 – Paving Improvements – Griffith Street**
 - Engineer's Estimate
 - Map of Improvement District
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2815
 - Resolution No. 2815 calling and providing for Notice of Public Hearing Notice of Public Hearing
 - Affidavit of Publication of Notice of Public Hearing
 - Excerpt of Minutes of the governing body meeting evidencing a public hearing
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2818
 - Resolution No. 2818 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2818
 - Certificate of No Protest
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2833
 - Resolution No. 2833 amending Resolution No. 2818 (recorded)
 - Affidavit of Publication of Resolution No. 2833
10. **Project 506 – Paving Improvements – N. Haverhill**
 - Engineer's Estimate
 - Map of Improvement District
 - Petition
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2828
 - Resolution No. 2828 authorizing paving improvements (recorded)
 - Affidavit of Publication of Resolution No. 2828
11. **Project 500 – Main Trafficway Improvements**
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Ordinance No. G-1232 and Resolution No. 2832
 - Ordinance No. G-1232 designating Main Trafficways
 - Affidavit of Publication of Ordinance No. G-1232
 - Resolution No. 2832 authorizing Main Trafficway improvements
12. **Project 513 – Paving Improvements – Country Club Road**
 - Engineer's Estimate
 - Map of Improvement District
 - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2841

- Resolution No. 2841 calling and providing for Notice of Public Hearing
- Affidavit of Publication of Notice of Public Hearing
- Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 2843
- Resolution No. 2843 authorizing paving improvements (recorded)
- Affidavit of Publication of Resolution No. 2843

SPECIAL ASSESSMENT PROCEEDINGS

Project Nos. 477, 486, 491, 506

13. Excerpt of Minutes of the governing body meeting accepting the following documents:
 - Statement of Final Costs
 - Assessment Roll Certification
 - Notice of Public Hearing
 - Form of Notice of Hearing and Statement of Cost Proposed to be Assessed
14. Affidavit of Publication – Notice of Public Hearing
15. Certificate of Mailing – Notice of Public Hearing
16. Excerpt of Minutes of the governing body meeting evidencing passage of Ordinance No. G-1295
17. Ordinance No. G-1295 levying special assessments
18. Affidavit of Publication of Summary of Ordinance No. G-1295
19. Certificate of Mailing – Notice of Assessment
20. Certificate of Treasurer – Assessments Paid in Cash

Project Nos. 421, 422, 436, 437, 443, 444, 513

21. Excerpt of Minutes of the governing body meeting accepting the following documents:
 - Statements of Final Costs
 - Assessment Roll Certifications
 - Notices of Public Hearing
 - Forms of Notice of Hearing and Statement of Cost Proposed to be Assessed
22. Affidavits of Publication – Notice of Public Hearing
23. Certificates of Mailing – Notice of Public Hearing
24. Excerpts of Minutes of the governing body meeting evidencing passage of Ordinance Nos. G-1246, G-1247, G-1248, G-1279
25. Ordinance Nos. G-1246, G-1247, G-1248, G-1279 levying special assessments

26. Affidavits of Publication of [Summary of]Ordinance Nos. G-1246, G-1247, G-1248, G-1279
27. Certificates of Mailing – Notice of Assessment
28. Certificates of Treasurer – Assessments Paid in Cash

**PROCEEDINGS AUTHORIZING THE SALE
AND ISSUANCE OF THE BONDS**

29. Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. [_____]
30. Resolution No. [_____] authorizing the offering for sale of the Bonds
31. Notice of Bond Sale, Preliminary Official Statement Deeming Preliminary Official Statement Final
32. Affidavit of publication of the Summary Notice of Bond Sale in the ***Butler County Times-Gazette***
33. Affidavit of publication of the Summary Notice of Bond Sale in the ***Kansas Register***
34. Official Statement
35. Continuing Disclosure Undertaking
36. Excerpt of Minutes of the governing body meeting evidencing opening of the bids, acceptance of the best bid of the Original Purchaser, passage of Ordinance No. [_____] and adoption of Resolution No. [_____]
37. Ordinance No. [_____] authorizing the issuance of the Bonds
38. Summary of Ordinance No. [_____] and Affidavit of publication of Summary of Ordinance No. [_____]
39. Resolution No. [_____] prescribing the form and details of the Bonds
40. Redemption Documents
 - Call for Redemption
 - Notice of Call for Redemption
 - Paying Agent's Certification

CLOSING DOCUMENTS

41. Transcript Certificate
 - Exhibit A*** – Statement of Costs
 - Exhibit B*** – Schedule of Outstanding General Obligation Indebtedness

42. Uniform Facsimile of Signature Certificate
43. Authorization of State Treasurer to use facsimile signature and seal
44. Specimen Bond and Bond Printer's Certificate
45. Agreement Between Issuer and Agent
46. DTC [Documents]
Blanket Letter of Representations
[Underwriting Safekeeping Agreement]
47. Rating Letter - Standard & Poor's
48. Closing Certificate
49. Federal Tax Certificate with attachments as follows:
Exhibit A – Internal Revenue Service Form 8038-G and evidence of filing
Exhibit B – Receipt for Purchase Price
Exhibit C – Receipt and Representation
Exhibit D – Description of Property Comprising the Financed Improvements[and List of
Reimbursement Expenditures]
Exhibit E – Sample Annual Compliance Checklist
Schedule 1 – Debt Service Schedule & Proof of Yield

LEGAL OPINIONS

50. Approving legal opinion of Gilmore & Bell, P.C.
51. Approval letter of Attorney General

MISCELLANEOUS DOCUMENTS

52. Closing Letter

* * * * *

TRANSCRIPT CERTIFICATE

\$2,970,000*
CITY OF EL DORADO, KANSAS
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A
DATED MAY 1, 2019

The undersigned Mayor and Clerk of the City of El Dorado, Kansas (the "Issuer"), do hereby make this certificate for inclusion in the transcript of and as a part of the proceedings authorizing and providing for the issuance of the above described bonds (the "Bonds"); and do hereby certify as of April 1, 2019, as follows:

1. Meaning of Words and Terms. Capitalized words and terms used herein, unless otherwise defined herein or the context requires otherwise, shall have the same meanings ascribed to such words and terms in the hereinafter defined Bond Resolution authorizing the Bonds.

2. Organization. The Issuer is a legally constituted city of the second class organized and existing under the laws of the State of Kansas.

3. Transcript of Proceedings. The transcript of proceedings (the "Transcript") relating to the authorization and issuance of the Bonds is to the best of our knowledge, information and belief full and complete; none of such proceedings have been modified, amended or repealed, except as might be shown in the Transcript, and the facts stated in the Transcript still exist. In each and every instance where copies appear in the Transcript, such copies are true and correct duplicates of the original instruments now on file with the Clerk.

4. Newspaper. The *Butler County Times-Gazette* was the official newspaper of the Issuer at all times during these proceedings.

5. Meetings. All of the meetings of the governing body of the Issuer at which action was taken as shown in the Transcript were either regular meetings or duly adjourned regular meetings or special meetings duly called and held in accordance with law and the ordinances and rules of the Issuer.

6. Incumbency of Officers. The following named persons were and are the duly qualified and acting officers of the Issuer at and during all the times when action was taken as indicated in the Transcript as follows:

<u>Name</u>	<u>Title</u> <i>Current</i>	<u>Term of Office</u>
Vince Haines	Mayor	04/2015 to 01/2020
Matt Guthrie	Commissioner	01/2018 to 01/2022
Greggory Lewis	Commissioner	04/2015 to 01/2020
Nick Badwey	Commissioner	04/2009 to 01/2022
Kendra Wilkinson	Commissioner	04/2015 to 01/2020
Tabitha Sharp	Clerk	N/A
	<i>Prior</i>	
Michael Fagg	Mayor	04/2013 to 04/2015
Chase Locke	Commissioner	04/2013 to 01/2018
David Chapin	Commissioner	04/2007 to 04/2015
Bill Young	Commissioner	04/2011 to 04/2015

7. Execution of Bonds. The Bonds have been executed with facsimile signatures; and the facsimile signatures appearing on the face of the Bonds are facsimiles of the true and genuine signatures of the Mayor and Clerk of the Issuer; which facsimiles are ratified as a proper execution of said Bonds. Each signature has been duly filed in the office of the Secretary of State of Kansas pursuant to K.S.A. 75-4001 *et seq.* A facsimile of the seal of the Issuer is affixed to or imprinted on each of the Bonds and on the reverse side of each of the Bonds at the place where the Clerk has executed by facsimile signature the Certificate of Registration; and each Bond bears a Certificate of Registration evidencing the fact that it has been registered in the office of the Clerk. A true impression of the seal is set forth adjacent to the signature of the Clerk below. The specimen bond included in the Transcript is in the form adopted by the governing body of the Issuer for the Bonds.

8. Authorization and Purpose of the Bonds. The Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State, including particularly K.S.A. 12-685 *et seq.* and K.S.A. 12-6a01 *et seq.*, as amended, Ordinance No. [____] and Resolution No. [____] of the Issuer duly adopted by the Governing Body of the Issuer on April 1, 2019 (collectively the “Bond Resolution”) for the purpose of:

- (a) paying a portion of the costs of certain internal improvements (the “Improvements”); and
- (b) retiring the following temporary notes of the Issuer, issued to temporarily finance the Improvements (the “Refunded Notes”):

<i>Description</i>	<i>Series</i>	<i>Dated Date</i>	<i>Maturity Dates</i>	<i>Amount</i>
Temporary Notes	1885	06/15/2011	06/01/2019	\$2,548,000

The total principal amount of the Bonds does not exceed the cost of the Improvements for which the Bonds are issued. A Statement of Cost is attached hereto as **Exhibit A** and made a part hereof by reference as though fully set out herein.

The interest rates on the Bonds on the date of the sale of the Bonds were within the maximum legal limit for interest rates under K.S.A. 10-1009, as amended.

9. Bonded Indebtedness. The currently outstanding applicable indebtedness of the Issuer, including the Bonds, does not exceed any applicable constitutional or statutory limitations. A Schedule of Bonded Indebtedness, which sets forth all currently outstanding general obligation indebtedness of the Issuer, is attached hereto as **Exhibit B** and made a part hereof by reference as though fully set out herein.

10. Valuation. The total assessed valuation of the taxable tangible property within the Issuer for the year 2018 is as follows:

Equalized Assessed Valuation of	
Taxable Tangible Property	\$91,955,885
Tangible Valuation of Motor Vehicles.....	<u>12,419,253</u>
Equalized Assessed Tangible Valuation	
for Computation of Bonded Debt Limitations	\$104,375,138

11. Non-litigation. There is no controversy, suit or other proceedings of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way: (a) the legal organization of the Issuer or its boundaries; (b) the right or title of any of its officers to their respective offices; (c) the legality of any official act shown to have been done in the Transcript; (d) the constitutionality or validity of the indebtedness represented by the Bonds shown to be authorized in the Transcript; (e) the validity of the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof; or (f) the levy and collection of a tax to pay the principal of and interest on the Bonds.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

WITNESS our true and genuine manual signatures and the seal of the Issuer.

Mayor

(SEAL)

Clerk

EXHIBIT A

STATEMENT OF COST

Re: General Obligation Improvement Bonds, Series 2019A, Dated May 1, 2019, of the
City of El Dorado, Kansas

Sources of Funds:

Principal Amount of the Bonds	\$2,970,000*.00
[Available funds of the Issuer]	
Prepaid special assessments	
Underwriter's Discount/Compensation	-
[Original Issue Premium]	
[Original Issue Discount]	-
Total	\$

Uses of Funds:

Deposit to Improvement Fund	\$
Deposit to Note Redemption Fund	
Costs of Issuance	
Total	\$

EXHIBIT B

CITY OF EL DORADO, KANSAS

**SCHEDULE OF OUTSTANDING GENERAL OBLIGATION INDEBTEDNESS
(as of May 1, 2019)**

GENERAL OBLIGATION BONDS

Description of Indebtedness	Dated Date	Final Maturity	Original Principal Amount	Amount Outstanding	Subject to Debt Limit
G.O. Bonds, Series 2010	11/15/2010	11/01/2025	\$2,195,000	\$ 715,000	\$ 404,762
G.O. Bonds, Series 2011	12/15/2011	11/01/2032	5,715,000	4,135,000	3,171,545
G.O. Ref. & Imp. Bonds, Series 2013A	06/27/2013	11/01/2028	6,645,000	3,935,000	1,268,251
G.O. Ref. & Imp. Bonds, Series 2015A	08/20/2015	11/01/2025	3,937,000	2,880,000	879,552
G.O. Ref. & Imp. Bonds, Series 2016A	08/31/2016	11/01/2027	8,515,000	7,005,000	532,380
G.O. Imp. Bonds, Series 2019A	05/01/2019	11/01/2039	2,970,000*	2,970,000*	2,709,828
Total				\$[_____]	\$8,966,318

TEMPORARY NOTES

Description of Indebtedness	Dated Date	Final Maturity	Original Principal Amount	Amount Outstanding	Exempt From Debt Limit
Temporary Notes, Series 1885*	06/11/2015	06/01/2019	\$2,548,000	\$0	N/A
Total				\$	\$]

*To be retired from the proceeds of the Bonds and certain other funds.

AGREEMENT BETWEEN ISSUER AND AGENT

\$2,970,000*
CITY OF EL DORADO, KANSAS
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A
DATED MAY 1, 2019

THIS AGREEMENT, dated as of May 1, 2019, between the City of El Dorado, Kansas, a municipality (the “Issuer”), and the State Treasurer of Kansas, as Agent (the “Agent”).

WHEREAS, for its lawful purposes, the Issuer has duly authorized the issue of the above-captioned bonds (the “Securities”), and the Issuer wishes the Agent to act as its Paying Agent, Bond Registrar, and Transfer Agent for the Securities:

Now, therefore, it is hereby agreed as follows:

I. APPOINTMENT

Issuer hereby appoints or has heretofore appointed the State Treasurer of Kansas to act as Paying Agent, Bond Registrar and Transfer Agent for the Securities. The State Treasurer of Kansas hereby accepts its appointment as the Paying Agent, Bond Registrar and Transfer Agent.

II. BASIC DUTIES

- A. Issuer or its duly authorized representative agrees to furnish Agent the name(s) and address(es) of the initial registered owner(s) of the Securities together with such registered owners' tax identification (social security) number(s), the maturity date(s), denomination(s) and interest rate(s) for each Security.
- B. Agent shall manually authenticate the originally issued Securities upon the written order of one or more authorized officers of Issuer. Thereafter, Agent shall manually authenticate all Securities resulting from transfer or exchange of Securities.
- C. Agent shall maintain an office in the City of Topeka, Kansas, where Securities may be presented for registration, transfer and exchange; and shall also maintain an office in the City of Topeka, Kansas, where Securities may be presented for payment. Agent shall keep a register of the Securities and their transfer and exchange.
- D. Agent may rely upon any document believed by it to be genuine and to have been signed or presented by the proper person. Agent need not investigate any fact or matter stated in the document. Agent undertakes to perform such duties and only such duties set forth in K.S.A. 10-620 *et seq.*, except as specifically provided in this Agreement.
- E. Agent shall notify the owners of the Securities upon default in payment of principal or interest on the Securities and the Agent shall have no duties or responsibilities thereafter.

III. COMPENSATION

Issuer covenants and agrees to pay to Agent, as reasonable compensation for the services provided as Agent, an initial setup fee of \$300, a registration fee of \$30, plus a fee of \$[3,712.50], based on a percentage of the aggregate principal amount of the Securities as follows:

1/8 of 1% (.125%) of the first \$10,000,000
1/16 of 1% (.0625%) of the next \$15,000,000
1/32 of 1% (.03125%) of the next \$25,000,000
1/64 of 1% (.015625%) of the next \$50,000,000
1/128 of 1% (.0078125%) over \$100,000,000.

This amount will be due at the time of registration unless such fee is to be paid from the proceeds of the bond issue in which case Issuer agrees to pay such fee within two (2) business days of the closing of the bond issue. In addition to the aforementioned fee, Issuer covenants and agrees to pay to Agent the fee as stated and required by K.S.A. 10-505 for performing the duties of paying the principal of the Securities.

IV. STANDARD OF PERFORMANCE

Issuer shall provide, or shall cause to be provided to Agent, a designation of whether its Securities are to be issued in certificated or uncertificated form, or both.

A. STATEMENTS OF OWNERSHIP

Agent agrees to provide Statements of Ownership to the owner of uncertificated Securities. Such Statements shall be in accordance with the standards set forth by the Attorney General. All Statements shall be issued in the denominations of \$1,000 or \$5,000 or integral multiples thereof except for one additional Security in another denomination, which additional Security shall mature in the initial maturity year of the series of the Securities. Interest is computed on the basis of \$1,000 or \$5,000 units and in all transactions involving the payment of interest, fractions of a cent equalling or exceeding five mills shall be regarded as one cent; fractions of a cent less than five mills shall be disregarded. Agent shall at all times maintain an adequate supply of Statements of Ownership for any anticipated transfers or exchanges of the Statements.

B. CERTIFICATED SECURITIES

All certificated Securities issued by Issuer under this Agreement shall be in accordance with the standards set forth by the Attorney General and unless otherwise authorized by Agent, the principal thereof shall be payable only upon surrender of the Security to Agent. All certificates shall be issued in the denomination of \$1,000 or \$5,000 or integral multiples thereof except one authorized Security in another denomination which additional Security shall mature in the initial maturity year of the series of Securities. Interest is computed on the basis of \$1,000 or \$5,000 units and in all transactions involving the payment of interest, fractions of a cent equaling or exceeding five mills shall be regarded as one cent; fractions of a cent less than five mills shall be disregarded. Issuer shall at Issuer's cost provide Agent with an adequate supply of certificates for any anticipated transfers or exchanges of the certificates. Issuer shall be responsible for the payment of the printing or other expenses for such certificates. Issuer shall be responsible for obtaining appropriate "CUSIP" number(s) and shall notify Agent of each number(s) prior to the issuance of the applicable Securities.

C. ***INTEREST CALCULATIONS***

Agent shall calculate interest on the basis of \$1,000 and \$5,000 units, or in the case of one odd denomination, calculate the unit separately. Each intermediate unit calculation is first determined, then rounded to the sixth decimal position; i.e. whenever the seventh decimal place is equal to or greater than five the sixth decimal place is increased by one. The final per unit calculation is subsequently rounded to two decimal positions. (See Attachment "A" for sample calculation.)

D. ***SURRENDER***

Securities surrendered for payment, cancellation or partial redemption shall be cancelled by Agent and returned to Issuer in accordance with K.S.A. 10-111.

E. ***TRANSFERS AND EXCHANGES***

1. When Securities are presented to Agent for transfer or exchange, Agent shall so transfer or exchange such Securities if the requirements of Section 8-401(1) of the Uniform Commercial Code are met.
2. In accordance with the authorizing Resolution or Ordinance of the Issuer (the "Bond Resolution"), payments of interest shall be made to the owner of record of each Security as of the close of business on the fifteenth day of the month preceding each interest payment date. The Agent shall make such payments to the record owner of each Security as set forth on the registration books maintained by Agent as of such date.
3. Agent shall not be required to transfer or exchange any Security during a period beginning on the day following the fifteenth day of the month preceding any interest payment date for such Securities and ending at the close of business on the interest payment date, or to transfer or exchange any Security selected or called for redemption in whole or in part subsequent to the date notice of such redemption is given in accordance with the Bond Resolution authorizing the Securities.

F. ***REGISTRATION DATES AND FUNDS FOR PAYMENTS***

Date of Registration shall be affixed on the initial Securities. Subsequent transfers or exchanges shall bear a Date of Registration as of the date that all the required documentation is received at the Agent's official place of business. Issuer will provide funds to make any interest or principal payments in accordance with K.S.A. 10-130 and amendments thereto. Agent is hereby authorized to effect any semiannual payment of interest or any principal by charging the Issuer's Fiscal Agency account with Agent.

G. ***REPLACEMENT OF SECURITIES***

If the owner of a Security claims that a Security has been lost, destroyed or wrongfully taken, Issuer shall issue and Agent shall authenticate a replacement Security if the requirements of Section 8-405 of the Uniform Commercial Code are met. Only Agent shall perform this function. An indemnity bond and affidavit of loss shall be provided to Agent and Issuer at the expense of the owner of the Security. Such indemnity bond and affidavit

of loss must be sufficient in the judgment of Issuer and Agent to protect Issuer and Agent from any loss which any of them may suffer if the Security is replaced. Issuer may charge the Security owner for its expenses in the replacement of a Security.

H. **REDEMPTIONS**

Optional Redemption. If any Securities are to be redeemed pursuant to an optional redemption in accordance with their terms, Issuer agrees to give Agent at least fifteen (15) days written notice thereof prior to the notice to be given the Security owners. If there is no provision for notice to the Security owners, Issuer agrees to give at least thirty (30) days written notice to Agent.

[**Mandatory Redemption.** If any Securities are subject to mandatory redemption in accordance with their terms of the Bond Resolution, no additional notice is required to be given to the Agent to exercise the mandatory redemption. The Agent will provide notice of such redemption utilizing substantially the form of Notice of Mandatory Redemption attached hereto as **Appendix I.**]

Notice of Redemption. Agent shall then notify, by ordinary mail, the owner of such Securities to be so redeemed. Agent shall select the Securities to be so redeemed. Agent shall not be required to exchange or register a transfer of any Security for a period of fifteen (15) days preceding the date notice is to be provided to the Security owners for the purpose of selecting Securities on a partial redemption. Further, in the event notice is given to Agent for a complete redemption of the Issue according to the terms of the Bond Resolution, Agent shall not be required to transfer or exchange any Security beginning on the day following the 15th day preceding the date set for redemption.

I. **MISCELLANEOUS**

Agent hereby acknowledges receipt of numbered Securities of Issuer (in a number equal to one Security for each maturity) for registration and exchange, and shall safeguard any "blank" Securities held for purpose of exchange or transfer.

J. **REPORTS**

Agent shall provide Issuer an annual report of the activity with respect to the issuance of Securities upon written request of Issuer.

K. **CONSTRUCTION**

This Agreement shall be construed in accordance with the laws of the State of Kansas and also the Bond Resolution authorizing the issuance of the Securities.

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CITY OF EL DORADO, KANSAS

(SEAL)

By _____
Mayor

ATTEST:

By _____
Clerk

**OFFICE OF THE TREASURER
OF THE STATE OF KANSAS**

(SEAL)

By _____
Director of Bond Services

ATTACHMENT "A"

SAMPLE

$$\begin{array}{rcl} & \$5,000.00000 & \text{..... Bond Unit} \\ \times & \underline{.06875} & \text{..... Interest Rate} \\ = & 343.750000 & \text{Rounded to six decimal places} \\ \\ / & \underline{360} & \text{..... Days per year} \\ = & .954861 & \text{Rounded to six decimal places} \\ \\ \times & \underline{180} & \text{..... Day in interest period} \\ = & 171.874980 & \text{(Rounded to second decimal = \$171.87)} \end{array}$$

Unit interest is then multiplied by the number of units in the maturity.

[APPENDIX I

**NOTICE OF CALL FOR MANDATORY REDEMPTION
TO THE OWNERS OF
CITY OF EL DORADO, KANSAS
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A, DATED MAY 1, 2019**

Notice is hereby given that pursuant to the provisions of **Article III** of Resolution No. [_____] (the “Bond Resolution”) of the City of El Dorado, Kansas (the “Issuer”) that a portion of the above-mentioned bonds (the “Bonds”) scheduled to mature [on November 1,][in] [2039][_____] (the “Called Bonds”), have been called for mandatory redemption and payment on November 1, [_____] (the “Redemption Date”), at the principal office of the Treasurer of the State of Kansas (the “Bond Registrar and Paying Agent”).

<u>[Nos.]</u>	<u>Maturity Date</u> <u>(November 1)</u> [_____] 2039	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> <u>Number</u>
---------------	---	-----------------------------------	--------------------------------	-------------------------------

On the Redemption Date there shall become due and payable, upon the presentation and surrender of each such Called Bond, the redemption price thereof equal to 100% of the principal amount thereof together with interest accrued to the Redemption Date. Bonds issued in denominations of greater than \$5,000 may be subject to partial redemption. In such event, a new certificate or certificates will be issued to the Owner in the principal amount to remain Outstanding. Interest shall cease to accrue on the Called Bonds so called for redemption from and after the Redemption Date provided such funds for redemption are on deposit with the Paying Agent.

CITY OF EL DORADO, KANSAS

By _____
Treasurer of the State of Kansas,
Topeka, Kansas]

**UNDERWRITING SAFEKEEPING AGREEMENT
BY AND BETWEEN
DEPOSITORY TRUST COMPANY
AND
THE CITY OF EL DORADO, KANSAS
AND
THE OFFICE OF THE KANSAS STATE TREASURER**

**\$2,970,000*
CITY OF EL DORADO, KANSAS
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A
DATED MAY 1, 2019**

In order to induce the Depository Trust Company (the "DTC") to accept delivery of the above captioned bonds (the "Bonds") for safekeeping prior to the delivery of the Bonds on May 1, 2019 (the "Closing Date"), the City of El Dorado, Kansas (the "Issuer"), and the Treasurer of the State of Kansas (the "Agent") hereby agree to place the entire principal amount of the Bonds, in the custody, control and possession of DTC at least one day prior to the Closing Date. The Issuer further agrees that by copy of this letter appropriately executed, it will notify DTC to follow the instructions of [Purchaser], [Purchaser City, State], as the Underwriter (the "Underwriter") in distributing the Bonds.

By executing this agreement in the appropriate place DTC acknowledges upon receipt from the Agent of possession, custody and control of the Bonds, and agrees to safekeep and hold in escrow the Bonds until it shall have received notification from one of the following authorized representatives of the Issuer to release or return the Bonds: Tabitha Sharp, Clerk, or Gilmore & Bell, P.C., Bond Counsel. Notification may be made by telephone or by receipt of an executed notice, delivered or telecopied to DTC; provided, however, that if the notification is made by telephone, written notice must be sent within 24 hours of the original notification. In the event the Issuer executes the release of the Bonds, DTC will distribute the Bonds pursuant to written instructions provided by the Underwriter; however, in the event a demand for the return of the Bonds is received, DTC shall return the Bonds as soon as practicable, but in any event, no later than the following business day.

DTC agrees to hold the Issuer and the Agent, as their interests may appear, and any of their officers or employees, harmless from any liability, loss, damage or reasonable expense in connection with the loss, theft, destruction or other disappearance of the Bonds while they are in the possession, custody or control of DTC, prior to concluding the Closing with respect to the Bonds and prior to distributing the Bonds in accordance with the instructions furnished by the Underwriter.

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CITY OF EL DORADO, KANSAS

Dated: April 1, 2019

By: _____
Clerk

**OFFICE OF THE TREASURER OF
THE STATE OF KANSAS, As Agent**

Dated: April __, 2019

By: _____
Title: Director of Bond Services

DEPOSITORY TRUST COMPANY

Dated: April __, 2019

By: _____
Title: _____

DTC hereby acknowledges receipt from
the Agent of custody, control
and possession of the Bonds.

Dated: _____.

DEPOSITORY TRUST COMPANY

By: _____

Title: _____

Re: General Obligation Improvement Bonds, Series 2019A, dated May 1, 2019, of the City of El Dorado, Kansas

Dated: May 1, 2019.

The formal Closing of the above-referenced Bonds has occurred, and DTC is hereby authorized to distribute the Bonds as previously agreed:

By: _____
GILMORE & BELL, P.C.,
as Bond Counsel for the Issuer

The Closing of the above-referenced Bonds did not occur and DTC is requested to return the Bonds to the custody, control and possession of the Agent:

By: _____
GILMORE & BELL, P.C.,
as Bond Counsel for the Issuer

CLOSING CERTIFICATE

\$2,970,000*
CITY OF EL DORADO, KANSAS
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019A
DATED MAY 1, 2019

The undersigned Mayor and Clerk of the City of El Dorado, Kansas (the “Issuer”), make this Certificate for inclusion in the transcript of and as a part of the proceedings authorizing and providing for the issuance of the above described bonds (the “Bonds”); and certify as of May 1, 2019 (the “Issue Date”), as follows:

1. Meaning of Words and Terms. Capitalized words and terms used in this Certificate, unless otherwise defined in this Certificate or the context requires otherwise, have the same meanings ascribed to such words and terms in the Bond Resolution (defined below) authorizing the Bonds.

2. Transcript of Proceedings. The transcript of proceedings relating to the authorization and issuance of the Bonds (the “Transcript”), furnished to the Purchaser of the Bonds, is to the best of our knowledge, information and belief full and complete; none of such proceedings have been modified, amended or repealed, except as might be shown in the Transcript; and the facts stated in the Transcript still exist. In each instance where copies appear in the Transcript, such copies are true and correct duplicates of the original instruments now on file with the Clerk. All certifications made by the Issuer in the Transcript Certificate dated April 1, 2019 are true and correct as of this date and are incorporated in this Certificate by reference.

3. Authorization and Purpose of the Bonds. The Issuer is issuing and delivering the Bonds simultaneously with the delivery of this Certificate, pursuant to and in full compliance with the Constitution and statutes of the State, including particularly K.S.A. 12-6a01 *et seq.*, as amended, Ordinance No. [____] and Resolution No. [____] of the Issuer duly adopted by the Governing Body of the Issuer on April 1, 2019 (collectively the “Bond Resolution”) for the purpose of:

- (a) paying a portion of the costs of certain internal improvements (the “Improvements”); and
- (b) retiring the following temporary notes of the Issuer, issued to temporarily finance the Improvements (the “Refunded Notes”):

<i>Description</i>	<i>Series</i>	<i>Dated Date</i>	<i>Maturity Dates</i>	<i>Amount</i>
Temporary Notes	1885	06/11/2015	06/01/2019	\$2,548,000

4. Security for the Bonds. The Bonds are general obligations of the Issuer payable in part from special assessments levied upon the property benefited by the Improvements and, if not so paid, 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, with the balance payable, 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 pledged under the Bond Resolution to the payment of the principal of and interest on the

Bonds. In the Bond Resolution, the governing body of the Issuer has covenanted to 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, by levying and collecting the necessary taxes and/or assessments upon all of the taxable tangible property within the Issuer in the manner provided by law.

5. Sale of Bonds. The Bonds have been sold at rates not in excess of the limitations set forth in K.S.A. 10-1009. The Notice of Bond Sale dated March 4, 2019 and included in the Transcript constitutes a full true and correct copy thereof. A copy of such Notice of Bond Sale and Preliminary Official Statement was sent to prospective purchasers of the Bonds, and to all other persons and firms requesting copies of such Notice of Bond Sale and Preliminary Official Statement.

6. Official Statement. The Official Statement contained in the Transcript constitutes a full, true and correct copy of the Official Statement relating to the Bonds. To the best of our knowledge, the Official Statement, other than the sections entitled “Book Entry System,” “Ratings,” “Legal Matters,” “Tax Matters,” “Municipal Advisor,” and **Appendices I – IV**, about which the Issuer expresses no opinion, is true in all material respects, and does not contain any untrue statement of a material fact or does not omit to state a material fact, necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. As of this date there has been no material adverse change in the financial condition or the financial affairs of the Issuer since the date of the Official Statement. No other event has occurred which is necessary to be disclosed in the Official Statement in order to make the statements therein not misleading in any material respect as of the date of this Certificate. The Issuer has previously caused to be delivered to the Purchaser copies of the Official Statement.

7. Continuing Disclosure Undertaking. The Issuer has heretofore executed a Continuing Disclosure Undertaking (the “Disclosure Undertaking”), wherein the Issuer has covenanted to disseminate such information as is required in accordance with the provisions of the SEC Rule and the Disclosure Undertaking. In the Bond Resolution, the Issuer has covenanted to apply the provisions of the Disclosure Undertaking to the Bonds. A copy of the Disclosure Undertaking is contained in the Transcript.

8. Non-Litigation. There is no controversy, action, suit, proceeding, or to the best of our knowledge, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to the best of our knowledge, threatened against or affecting the Issuer, its officers or its property, or, to the best of our knowledge, any basis therefor questioning, disputing or affecting in any way: (a) the legal organization of the Issuer or its boundaries; (b) the right or title of any of its officers to their respective offices; (c) the legality of any official act shown to have been done in the Transcript; (d) the constitutionality or validity of the indebtedness represented by the Bonds shown to be authorized in the Transcript; (e) the validity of the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof; (f) the levy and collection of an ad valorem property tax to pay the principal of and interest on the Bonds; or (g) the federal or state tax-exempt status of the interest on the Bonds; wherein any unfavorable decision, ruling or finding would adversely affect the Issuer, the transactions contemplated by the Bond Resolution or the Official Statement, or the validity or enforceability of the Bonds, which are not disclosed in the final Official Statement.

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WITNESS our hands and the seal of the Issuer.

Signature

Official Title

(SEAL)

Mayor

Clerk

FORM OF BOND COUNSEL OPINION

GILMORE & BELL, P.C.
Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

May 1, 2019

Governing Body
City of El Dorado, Kansas

[Purchaser]
[Purchaser City, State]

Re: \$2,970,000* General Obligation Improvement Bonds, Series 2019A, of the City
of El Dorado, Kansas, Dated May 1, 2019

We have acted as Bond Counsel in connection with the issuance by the City of El Dorado, Kansas (the "Issuer"), of the above-captioned bonds (the "Bonds"). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the resolution adopted by the governing body of the Issuer prescribing the details of the Bonds.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.

2. The Bonds are payable as to both principal and interest in part from special assessments levied upon the property benefited by the construction of certain improvements and, if not so paid, 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 balance of the principal and interest on the Bonds is payable 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 Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent that necessary funds are not provided from other sources.

3. The interest on the Bonds [(including any original issue discount properly allocable to an owner of a Bond)] is: (a) excludable from gross income for federal income tax purposes; and (b) not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in this

paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are "qualified tax-exempt obligations" within the meaning of Code § 265(b)(3). We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. The interest on the Bonds is exempt from income taxation by the State of Kansas.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

GILMORE & BELL, P.C.

SOS/MLW:paj