

**AGENDA-SPECIAL MEETING
GODDARD CITY COUNCIL
118 NORTH MAIN
GODDARD, KANSAS
SEPTEMBER 8, 2020, 4:00 P.M.**

- A) CALL TO ORDER**
- B) PLEDGE OF ALLEGIANCE AND INVOCATION**
- C) APPROVAL OF THE AGENDA**
- D) CITIZEN COMMENTS**
- E) APPOINTMENTS, PROCLAMATIONS, RECOGNITIONS, & NOMINATIONS**
 - 1. Nomination and Election of New City Council President

- F) CONSENT AGENDA:**

Items on the Consent Agenda are considered by staff to be routine business items. Approval of the items may be made by a single motion, seconded, and a majority vote with no separate discussion of any item listed. Should a member of the Governing Body desire to discuss any item, the item will be removed from the Consent Agenda and considered separately.

 - 1. Approval of Minutes
 - a. Regular Meeting – August 17, 2020
 - 2. Accounts Payable
 - a. August 19, 2020 for \$56,224.65
 - b. August 26, 2020 for \$310,043.69
 - c. August 28, 2020 for \$294,452.84
 - d. September 2, 2020 for \$29,446.38

- G) UNFINISHED BUSINESS**
 - 1. None

- H) NEW BUSINESS**
 - 1. Ordinance Authorizing Bond Sale for St. Andrews 4 Water & Paving
 - 2. Resolution Directing & Authorizing St Andy 4th Water & Paving GO Bonds
 - 3. Consider sale of PW Truck #5
 - 4. Farmland Lease Agreement Proposal
 - 5. 183rd Street Frontage Road Bid Award

- I) CITY ADMINISTRATOR’S REPORT**
- J) GOVERNING BODY COMMENTS**
- K) EXECUTIVE SESSION: Non-Elected Personnel Exception K.S.A. 74-4319(b)(1); Attorney-Client Exception K.S.A. 74-4319(b)(2)**
- L) ADJOURNMENT**

Next Assigned Numbers for:
Charter Ordinance No 14
Ordinance No. 855
Resolution 20-12

NOTICE: SUBJECT TO REVISIONS

It is possible that sometime between 6:30 and 7:00 pm immediately prior to this meeting, during breaks, and directly after the meeting, a majority of the Governing Body may be present in the council chambers or lobby of City Hall. No one is excluded from these areas during those times.

**City of Goddard
City Council Meeting
September 8, 2020**

TO: Mayor and City Council
SUBJECT: Appoint Council President
INITIATED BY: City Administrator
PREPARED BY: Management Fellow
AGENDA: Appointments, Proclamations, Recognitions, & Nominations

Background:

The City Council shall elect from its membership a President of the Council. The current Council President Hunter Larkin took over the position of Mayor by default, due to the previous Mayor's resignation, per the city code. Larkin was previously nominated and elected Council President at the February 3, 2020 meeting. The Council now needs to nominate and elect a new Council President.

Analysis:

Seen in Chapter 1 Administration Article 2. Governing Body

1-206. President of the council.

The council shall elect from its membership a president of the council. The president of the council shall preside in the absence of the Mayor. If a vacancy occurs in the office of the Mayor by death, resignation, removal from the city, removal from office, refusal to qualify, or otherwise, the president of the council shall become Mayor until the next regular city election and the vacancy created in the office of the council member becoming Mayor shall be filled by the governing body of the city. Thereupon the council shall elect from its membership a new president of the council.

Financial: None

Legal Considerations: Approved as to form

Recommendations/Actions: It is recommended the City Council: Nominate and Elect a new Council President

Attachments: None



CONSENT AGENDA HIGHLIGHTS

F.1 Approval of August 17, 2020 Regular City Council Minutes

F.2 Review of Accounts Payable

August 19, 2020 for \$56,224.65

August 26, 2020 for \$310,043.69

August 28, 2020 for \$294,452.84

September 2, 2020 for \$29,446.38

- \$294,332.84 Kansas Paving Pay Request #2 - Arbor Creek Phase 1 Project 2019-01
- \$264,548.25 Nowak Construction Pay Request #2-SE Growth Area Lift Station Project 2019-01.1
- \$23,960.37 Clark Well & Equipment, Inc. Water Well #4 Inspection & Maintenance (Expenditure approved by Council 04.20.20)
- \$11,784.65 Dave's Pool Store & Service Pool Heater Replacement (Approved 05.18.20)
- \$7,655.30 Card Services-UMB Purchase Card July 2020 Purchases-Mincks, Public Works/WWTF, Brandenburg Shelite, Moddie, Circle

**MINUTES-REGULAR MEETING
CITY OF GODDARD
118 NORTH MAIN, GODDARD, KS
MONDAY, AUGUST 17, 2020**

The Goddard City Council met in a Regular Session at Goddard City Hall on Monday August 17, 2020. Councilmember Zimmerman called the meeting to order at 7:00 p.m. followed by the Pledge of Allegiance and the Invocation. Council members present were Larry Zimmerman, Sarah Leland, Brent Traylor, and Michael Proctor.

Also present were; Brian Silcott, City Administrator; Micah Scoggan, City Planner; Fred Farris, Police Chief; Thatcher Moddie, Administrative Fellow; Harlan Foraker, City Engineer; and Brook Brandenburg, Public Works Director.

APPROVAL OF THE AGENDA

MOTION: Councilmember *Traylor* moved to approve the Agenda as presented. Councilmember *Leland* seconded the motion. The motion carried unanimously.

CITIZEN COMMENTS

None

APPOINTMENT OF JAMIE COYNE TO THE PLANNING COMMISSION

Thatcher Moddie, Administrative Fellow stated that the Planning Commissioners operates on a 3-year term basis with 1/3 of the Planning Commissioners being re-appointed each year. The Mayor appoints the Commissioners to office, and they are confirmed by the Governing Body.

Jamie Coyne was appointed in 2017 to replace Commissioner Ed Knox. Following his first term Commissioner Coyne would need to have another 3-year term renewed this year by approval of the Governing Body.

MOTION: Councilmember *Leland* moved to approve the Consent Agenda as presented. Councilmember *Proctor* seconded the motion. The motion carried unanimously.

APPROVAL OF THE CONSENT AGENDA

The following was submitted to the City Council for approval:

Approval of Minutes:

Regular Meeting – August 3, 2020

Special Meeting – August 4, 2020

Accounts Payable:

August 5, 2020 for \$420,734.61

August 12, 2020 for \$115,982.86

Receive and File Boards and Commissions
Library Board – July 13, 2020
Planning Commission – July 13, 2020

MOTION: Councilmember *Traylor* moved to approve the Consent Agenda as presented. Councilmember *Proctor* seconded the motion. The motion carried unanimously.

ST. ANDREWS PHASE 4 GO BONDS SALE AUTHORIZATION RESOLUTION

Brian Silcott, City Administrator, presented a resolution authorizing the offering for sale of General Obligation Bonds Series 2020-3 for \$685,000. The City selects Gilmore & Bell as Bond Counsel and Stifel, Nicolas, and Company as the City’s Financial Advisor (FA) and authorizes the FA to proceed with the offering of General Obligation (GO) bonds. The resolution authorizes the preparation and distribution of a preliminary official statement related to the placement of the bonds. The resolution also directs staff and the Mayor to prepare the necessary documents to proceed with this issuance. The resolution sets the sale of the bonds at the Tuesday, September 8, 2020 Regular City Council meeting. The term of the notes will be from 2022 to 2041 with payments made beginning April; 1, 2020, on April 1 and October 1 of each calendar year. The bond sale amount totals \$685,000. The 2020-3 issuance will be redeemable on October 1, 2027. The Series 2017-1 GO temporary notes will be retired with this issuance. This issuance will bring the City of Goddard’s GO indebtedness to \$17,167,000.

After passage of the proposed resolution the next action to be taken by the City Council will be at the September 8th for the acceptance of the lowest bid, adoption of the bond resolution and ordinance and authorization of its publication, and acceptance of the Final Official Statement.

Brian Silcott recommended the City Council adopt the proposed resolution as presented.

MOTION: Councilmember *Proctor* moved adopt said resolution. The motion was seconded by Councilmember *Traylor*. The motion passed unanimously.

Resolution 20-12

CITY ADMINISTRATOR’S REPORT

Brian Silcott reviewed the following City Administrator’s Report dated August 17, 2020:

To: Honorable Mayor and City Council
From: Brian W. Silcott, City Administrator
Cc: Department Directors & Staff
Re: City Administrator Report for the week of August 3, 2020
Date: August 3, 2020

Below is a brief update on City operations, projects, and future agenda items for the City. The next City Council meeting is scheduled for Monday, August 17, 2020. City Administrator reports can be found online on the City webpage for City Administration reports from 2008 to present.

STAR Bond: Construction of the aquatic center/natatorium continues to make significant progress the construction of the pool roof trusses is complete, and installation of the rooftop is ongoing. After the roof is constructed work on the interior will begin. Further dirt work around the site has also increased

City Council Minutes
August 17, 2020

in the last two weeks. The open area at the top left-hand side is the aquatic park, which is privately funded and beyond the scope of the City's participation in the project. The picture on the right is looking east at the dirt work for the health club. Almost the entirety of the interior work requires preorder processing. Below is a list of STAR Bond project funds and updated pictures of the development. There have been no new project fund distributions since March.

Arbor Creek Addition: Work continues to on Phase 1 of this this addition, which includes 55 homes, sanitary sewer mains & laterals, and paving the middle of the subdivision's club house. Total special assessments for this phase is \$2,891,000. The estimated average home value of this addition is \$300,000 each home generating approximately \$1,150 in municipal property tax with Phase 1 generating an estimated \$63,250 annually and \$281,750 annually at full build out. Arbor Creek has 245 lots with 12 lots already sold with 43 phase 1 lots and 233 total lots remaining. The project has issued \$2,939,300 in temporary notes having paid \$1,267,691.08.

Clover Leaf Addition: Work on the water, sanitary sewer, and stormwater is complete, and the installation of paving is underway. Clover Leaf contains 133 total lots. Phase 1 consists of 50 total homes with 22 lots sited along Martens Ct. for duplex units which will increase water and sewer customer count by 44 users. Phase 1 also includes 28 lots for single family residential homes. Clover Leaf Phase 1 has \$2,211,000 in special assessments. Below is an updated picture of the dirt work and recent paving completed for the development. Clover Leaf has \$2,211,000 issued with A-1 rated (AAA equivalent) special temp notes issued and \$1,427,819.33 paid.

RCUT Project: KDOT has completed its preliminary field plan review. The City Engineer and staff is meeting with TranSystems late this week to review the changes. The project continues to be on pace for a September 24, 2020 bid letting. The approved design budget is \$186,210 with \$59,085.97 being expensed to date. The estimated total cost of construction is \$1,810,000 with KDOT covering the cost of construction. This is project # 2020-01 and KDOT Project #54-87 KA-4362-01.

183rd Street Frontage & Intersection: Thanks to the assistance and shepherding of the City Engineer and his team at Certified Engineering Design, we've submitted a request for funding for the intersection improvement at 183rd Street West & US-54/400/Kellogg. On June 9th we submitted the request to advertise for bids on the Kellogg Drive Relocation Project (KDOT Project #87 KA-5215-01). The notice to proceed with the solicitation of bids is anticipated any day. The approved construction budget is \$656,000 with KDOT covering the cost of construction. This is project # 2020-02 and KDOT Project #87 KA-5215-01.

2nd Street Project: The project was approved at the July 6th meeting and was completed the week of July 27th. The project budget is \$16,234 allocated to the Street Fund's annual Street Maintenance Program (40-410-8410). As discussed at the July 6th meeting and during the CIP discussion, upon completion the City Engineer & Public Works Director will assess the repair and if successful and approved by the City Council will be applied to the remaining unpaved streets as part of the 2020 road maintenance program. If unsuccessful, staff will present additional options in the autumn as part of the 2020 street maintenance program.

119th Street Water Valve: The water valve installation that was approved at the July 6th meeting and was found to have a non-standard size valve that required a special order briefly delaying the project has been completed. The 8" water valve cost totaled \$6,630.00 and is being allocated to line item 82-620-6150

CDBG COVID Grant: The City's application for the Small Cities Community Development Block Grant (CDBG) Corona Virus Supplement Program funding has been approved for \$132,000. City staff will be reaching out to local businesses over the next several weeks to receive applications for the distribution of funds. Fund distribution must be completed by September 20, 2020 as the unspent funds will be returned to HUD after that date.

St. Andrews 4th Addition Assessment Bonds: Staff will present a bond sale resolution at the August 17th City Council meeting. This resolution will authorize the solicitation of bids for the 20-year General Obligation Bonds. The final action of the City Council on this item will occur at the Tuesday, September 8th City Council meeting where another bond resolution and bond ordinance will be considered to accept the best bid (due at 1100) and finalize the sale of the bonds.

Respectfully Submitted,
Brian W. Silcott,

City Administrator

GOVERNING BODY COMMENTS

Councilmember Leland asked if staff was still taking payment plans or if shut-offs have resumed. Brian Silcott explained that shut-offs are scheduled for September.

Councilmember Zimmerman stated that being a councilmember has not always been easy but stated that all of the people he has worked with over the last eighteen years has always stepped up to the task of making Goddard a better place to live. Zimmerman added that as a member of the Council he hopes that they can come together and look to the future and improve how Goddard functions and make Goddard a better place to live for people who are wanting to make Goddard their home.

ADJOURNMENT

MOTION: Councilmember *Proctor* moved to adjourn the regular meeting.
Councilmember *Leland* seconded the motion. The motion carried unanimously.

Meeting adjourned at 7:19 pm.
Teri Laymon, City Clerk

CITY OF GODDARD
ACCOUNTS PAYABLE LIST: AUGUST 19, 2020
COUNCIL REVIEW: SEPTEMBER 08, 2020

VENDOR NAME	DESCRIPTION	AMOUNT
AGRI ENVIRONMENTAL SERVICES, LLC.	AUGUST 2020 SLUDGE REMOVAL SERVICE	\$ 2,500.00
AT&T	MONTHLY INTERNET/PHONE SERVICE-PUBLIC WORKS SCADA SYSTEM	\$ 172.16
BEST ONE TIRE & SERVICE	TRACTOR TIRE ONSITE REPAIR	\$ 131.75
CARD SERVICES-UMB PURCHASE CARD	JULY 2020 PURCHASES-MINCKS, PUBLIC WORKS/WWTF, BRANDENBURG SHELITE, MODDIE, CIRCLE	\$ 7,655.30
CENTER FOR EDUCATION & EMPLOYMENT LAW	PUBLIC EMPLOYMENT LAW DESKBOOK ENCYCLOPEDIA & (12) MONTHS OF PUBLIC EMPLOYMENT LAW REPORT NEWSLETTERS - POLICE	\$ 254.95
CHAMPION SIX, INC.	MARKING PAINT- PUBLIC WORKS	\$ 72.00
CINTAS	STOCK/ORGANIZE FIRST AID CABINETS-PUBIC WORKS, WWTF	\$ 134.19
CLARK WELL & EQUIPMENT, INC.	WATER WELL #4 INSPECTION & MAINTENANCE <i>(Expenditure approved by Council 04.20.20)</i>	\$ 23,960.37
DAVES POOL STORE & SERVICE	POOL HEATER REPLACEMENT <i>(Approved 05.18.20)</i>	\$ 11,784.65
DAVIS-MOORE AUTOMOTIVE	FLEET VEHICLE REPAIR/MAINTENANCE - UNIT #38	\$ 50.44
FAMILY HEALTH AMERICA, L.C.	AUGUST 2020 FSA ADMINISTRATIVE SERVICES FEE	\$ 100.00
GADES SALES CO, INC.	BATTERY TESTING FOR TRAFFIC SIGNALS	\$ 200.00
IMAGE QUEST	MONTHLY METERED MAINTENANCE FEE-ADMIN COPIER	\$ 86.79
INNOVATIVE CREDIT SOLUTIONS	PRE-EMPLOYMENT CREDIT CHECK - POLICE	\$ 17.00
KANSAS GOLF & TURF, INC.	EXMARK MOWER REPAIR, PURCHASE OF A DECK BELT.	\$ 405.55
KANSAS STATE TREASURER	JULY 2020 COURT FEES	\$ 638.50
MERIDIAN ANALYTICAL LABS	LAB ANALYSIS-WWTF, DRINKING WATER	\$ 470.00
MKEC	PROFESSIONAL SERVICES RENDERED THROUGH 06.27.20- ARBOR CREEK PHASE 1 PROJECT 2019-01, SE GROWTH AREA LIFT STATION PROJECT 2019-01.1.	\$ 6,420.45
QUILL	BROTHER PRINTER TONER CARTRIDGE	\$ 69.99
ROBERTS HUTCH-LINE	COPY PAPER, SORTKWIK FINGERTIP MOISTENER	\$ 65.96
TIMES-SENTINEL NEWSPAPERS, LLC	PUBLICATION OF Q2-2020 TREASURES REPORT. GHS/EHS SPORTS CALENDAR SUPPORT AD. SEDGWICK COUNTY FAIR RESULTS SUPPORT AD.	\$ 468.00
TRAFFIC CONTROL SERVICES, INC.	SPEED TRAILER CONNECTOR, WIRE LOOM, WIRE HOLDERS	\$ 200.00
U-TURN RENTALS & CONSTRUCTION	CONCRETE FOR WATER DIG REPAIRS	\$ 366.60
	TOTAL	\$ 56,224.65

CITY OF GODDARD
ACCOUNTS PAYABLE LIST: AUGUST 26, 2020
COUNCIL REVIEW: SEPTEMBER 08, 2020

VENDOR NAME	DESCRIPTION	AMOUNT
AG SPRAY EQUIPMENT	10,000 STORAGE TANK FOR SALT BRINE <i>(Purchase approved 08.03.20)</i>	\$ 7,967.85
AGRI ENVIRONMENTAL SERVICES, LLC	SEPTEMBER 2020 SLUDGE REMOVAL SERVICE	\$ 2,500.00
B&B KLASSEN ENTERPRISES, INC	PURCHASE OF AB3 ROCK FOR ROAD REPAIRS	\$ 1,112.03
CARD SERVICES-UMB PURCHASE CARD	JULY 2020 PURCHASES-LAYMON	\$ 463.62
CERTIFIED ENGINEERING DESIGN-CED	SURVEY/PLATTING-NORTH PARK PROJECT 2020-03	\$ 7,000.00
CLIFTON CLEANING CO	AUGUST 2020 CUSTODIAL SERVICE	\$ 1,235.00
COX BUSINESS	MONTHLY PHONE/INTERNET SERVICE-POOL	\$ 122.20
EVERGY	MONTHLY ELECTRICAL SERVICES GROUP BILLING <i>(Service Dates: 07.15.20 - 08.13.20)</i>	\$ 16,808.60
GILMORE	SEPTEMBER 2020 LICENSE & IN FOCUS AGREEMENT FEES. SETUP INTERACTIVE DISPLAY MONITOR IN CITY ADMINISTRATOR'S OFFICE.	\$ 4,278.95
INNOVATIVE CREDIT SOLUTIONS	REISSUE CHECK FOR PREEMPLOYMENT CREDIT CHECK- POLICE	\$ 17.00
KANSAS GAS SERVICE	MONTHLY GAS SERVICE - PUBLIC WORKS, WWTF, COMMUNITY CENTER, CITY HALL, POOL	\$ 333.03
KANZA COOPERATIVE ASSOCIATION	DIESEL FUEL-PUBLIC WORKS	\$ 896.57
MERIDIAN ANALYTICAL LABS, LLC	LAB ANALYSIS-WASTEWATER	\$ 425.00
MISSOURI FILTER & PROCESS EQUIPMENT CO.	POLYMER PUMP REPAIR PARTS-WWTF	\$ 175.38
NATIONAL SIGN CO	(10) 2" SQUARE POST CAPS	\$ 110.70
NOWAK CONSTRUCTION	PAY REQUEST #2-SE GROWTH AREA LIFT STATION PROJECT 2019-01.1	\$ 264,548.25
PREMIER PROPERTY	REFUND CREDIT BALANCE-UTILITY ACCT #100120000	\$ 689.35
PYE BARKER FIRE & SAFETY, LLC	KITCHEN SYSTEM INSPECTION/MAINT-COMMUNITY CENTER	\$ 113.00
QUILL	FACIAL TISSUE, TYPE 'D' BATTERIES, BATHROOM TISSUE	\$ 187.73
TIMES-SENTINEL NEWSPAPERS, LLC	NOTICE OF PUBLIC HEARINGS ON 09.14.20- SIGN VARIANCE AT 204010 W KELLOGG, RESIDENTIAL SUBDIVISION MARKETING SIGN EXCEEDING 16 SQUARE FEET ON AN R-2 ZONING CLASSIFICATION.	\$ 185.50
USA BLUEBOOK	LAB SUPPLIES-WWTF	\$ 143.93
WATER WISE ENTERPRISES	SODIUM HYPOCHLORITE TOTE-CHLORINATION BLDG CHEMICALS	\$ 730.00
	TOTAL	\$ 310,043.69

CITY OF GODDARD
ACCOUNTS PAYABLE LIST: AUGUST 28, 2020
COUNCIL REVIEW: SEPTEMBER 08, 2020

VENDOR NAME	DESCRIPTION	AMOUNT
IPMA-HR KANSAS	2020-2021 MEMBERSHIP RENEWAL-LAYMON <i>(Renewal Period: 07.01.20 - 06.30.21)</i>	\$ 120.00
KANSAS PAVING	PAY REQUEST #2 - ARBOR CREEK PHASE 1 PROJECT 2019-01	\$ 294,332.84
	TOTAL	\$ 294,452.84

CITY OF GODDARD
ACCOUNTS PAYABLE LIST: SEPTEMBER 02, 2020
COUNCIL REVIEW: SEPTEMBER 08, 2020

VENDOR NAME	DESCRIPTION	AMOUNT
ARMSCOR CARTRIDGE INCORPORATED	AMMUNITION-POLICE	\$ 4,750.00
CARD SERVICES-UMB PURCHASE CARD	JULY 2020 PURCHASES-FULCHER	\$ 287.01
CENTRAL POWER SYSTEMS & SERVICE	TROUBLESHOOT & REPAIR ELKRIDGE GENERATOR AT 183RD/MAPLE	\$ 765.91
COX, EDNA	COURT RESTITUTION	\$ 200.00
CULLIGAN OF WICHITA	BOTTLED WATER - WWTF	\$ 131.60
DAVIS-MOORE AUTOMOTIVE	FLEET VEHICLE REPAIR/MAINTENANCE- PUBLIC WORKS 2013 TAHOE , POLICE 2016 CHARGER	\$ 1,014.44
FLUID EQUIPMENT	PUMP OIL FOR THE WWTF LANDIA CHOPPER PUMP AND LIFT STATIONS	\$ 370.50
GREATER WICHITA YMCA	AUG 2020 MEMBERSHIP FEES <i>(Final payment)</i>	\$ 547.11
LAWN, MATT	MILEAGE REIMBURSEMENT <i>(06.19.20 Thru 08.30.20)</i>	\$ 446.66
LEGENDARY LAWN	AUGUST 2020 CONTRACT ROW/CITY PROPERTY MOWING FEES	\$ 5,038.04
MEL HAMBELTON	POLICE FLEET VEHICLE REPAIR/MAINTENANCE - UNIT #36 & UNIT #32	\$ 90.28
MKEC	ENGINEERING SERVICES THRU 08.01.20 - SE GROWTH AREA LIFT STATION PROJECT 2019-01.1	\$ 2,400.00
ORKIN	2021 PEST CONTROL RENEWAL - PUBLIC WORKS, WWTF	\$ 1,152.00
PHIL HAMILTON HEATING & AIR	TROUBLESHOOT AIR CONDITIONING IN POLICE SERGEANT'S OFFICE	\$ 90.00
QUILL	BATHROOM TISSUE, MEMO BOOKS, ROLL PAPER TOWELS, PRINTER TONER CARTRIDGES	\$ 485.91
RENN & COMPANY	AUDIT FOR WORKER COMPENSATION	\$ 4,320.00
S & P GLOBAL MARKET INTELLIGENCE	CUSIP FEES - ST ANDREW 4TH GO BONDS 2020-3 <i>(Project 2017-03)</i>	\$ 696.00
T & T HEATING AND AIR	PURCHASE/INSTALL REPLACEMENT AC UNIT THAT SERVES THE POLICE DEPARTMENT	\$ 3,290.00
TIMES-SENTINEL NEWSPAPERS	SUPPORT AD-FALL SPORTS GUIDE	\$ 62.00
VERIZON	MONTHLY CELL PHONE SERVICE-POLICE, PUBLIC WORKS, PLANNING/ZONING, WWTF, CHAMBER	\$ 887.68
WASTE MANAGEMENT	MONTHLY TRASH SERVICE - PUBLIC WORKS, WWTF, CITY HALL/COMMUNITY CENTER	\$ 250.52
WEX BANK	MONTHLY FUEL FUEL-PLANNING, POLICE, PUBLIC WORKS/WWTF	\$ 2,170.72
	TOTAL	\$ 29,446.38

**City of Goddard
City Council Meeting
September 8, 2020**

TO: Mayor and City Council
SUBJECT: Ordinance Authorizing the Sale of G.O. Bond 2020-03 Sale for St. Andrews Ph. 4 Water & Paving Improvement
INITIATED BY: City Council
PREPARED BY: City Administrator
AGENDA: New Business

Background: The City authorized improvements to St. Andrews Place Fourth Addition for water and paving improvements, constructed the property owner petitioned improvements with the issuance of General Obligation (GO) temporary notes, and conducted a public hearing and special assessment process in accordance to the property owner petitions and state statutes. A timeline of action items is listed below:

- April 4, 2017
 - Res. 17-03 for 8” water main improvements serving 53 parcels: Lots 7-51, Block A and Lots 6-13, Block B. with an estimated cost of \$165,000 and apportioned on a 1/53rd per lot basis to finance the improvement. The resolution was published in the April 6, 2017 edition of the Times-Sentinel.
 - Res. 17-04 for paving improvements (24’ wide asphalt mat) serving 53 parcels: Lots 7-51, Block A and Lots 6-13, Block B. with an estimated cost of \$602,000 and apportioned on a 1/53rd per lot basis to finance the improvement. The resolution was published in the April 6, 2017 edition of the Times-Sentinel.
 - Please note that the Engineering Service Agreement, Inspection Services Agreement, Construction Staking, Issuance Costs, as well as contingency and administration overhead is included in the total amount of issuance of \$767,000.
- June 19, 2017
 - Resolution 17-08 was unanimously approved authorizing the sale of Series 2017-01 General Obligation Temporary Note Sale for a principle amount of \$767,000 with Cooper Malone submitting the best bid at an interest rate of 1.4% and a total interest payment of \$34,898.50. The improvements have been constructed with the next step in the process being placing the long-term financing of the improvements onto the special assessment roll. In accordance to the desires of the developer, the assessments are presented as 20-year annual payment assessments.

- July 6, 2020 Regular City Council meeting, the Governing Body unanimously approved a statement of final costs, the assessment roll certification, the notice of public hearing, the form of notice of hearing and statement of cost to be assessed. The approvals are generally described below:

Statement of Final Costs

Construction Cost of Improvements	\$493,423.70
Engineering Cost of Improvements	\$91,230.34
Total Cost of Issuance	\$40,508.02
Bond Capitalized Interest	\$22,127.55
Temporary Note Interest	\$34,898.50
Administration Fee	\$3,140.00
Total Issuance Cost	\$685,328.11

- August 17, 2020 the City Council unanimously adopted Resolution 20-12 authorizing the solicitation of bids for consideration on September 8, 2020.

Analysis: The ordinance authorizes the sale and issuance of the Series 2020-3 issuance totals \$685,000. The term of the notes will be from 2022 to 2041 with payments made beginning April 1, 2020, on April 1 and October 1 of each calendar year. The bond sale amount totals \$685,000. The 2020-3 issuance will be redeemable on October 1, 2027. The Series 2017-1GO temporary notes will be retired with this issuance. This issuance will bring the City of Goddard's GO indebtedness to \$17,167,000.

The Series 2020-3 Bonds approved by the Ordinance are being issued in the principal amount of \$685,000*, to finance certain internal improvements in the City, and constitute 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 said 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

Financial: The process presented for the assessment of St. Andrews Addition Phase IV is identical to that used for St. Andrews Phases I, II, & III, as well as, all other subdivisions within Goddard. Failure to assess the parcels as petitioned by the developer and defined within the presented statutory process, results in the City at-large incurring the cost of improvements.

Legal Considerations: The documents have been drafted by City Bond Counsel Kevin Cowan or Gilmore & Bell and are based on the assessments and costs identified by City Staff and City Financial Advisor Bret Shogren of Stifel Nicholas, and reviewed and approved as to form by City Attorney Ryan Peck.

Recommendations/Actions: It is recommended the City Council: Adopt the proposed ordinance as presented.

1. Waive the reading of the ordinance. (**VOICE**)
2. Present and move for adoption of the ordinance. (**ROLL CALL**)
3. Mayor/Presiding Officer declares the resolution duly adopted

Attachments: H.1.a Ordinance (3 pages)

(PUBLISHED IN THE *TIMES-SENTINEL* ON SEPTEMBER 10, 2020)

ORDINANCE NO. [__]

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2020-3, OF THE CITY OF GODDARD, 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 Goddard, 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, pursuant to the laws of the State of Kansas applicable thereto, by proceedings duly had, the Governing Body of the City (the “Governing Body”) has authorized the following improvements (the “Improvements”) to be made in the City, to-wit:

<u>Project Description</u>	<u>Res. No.</u>	<u>Authority (K.S.A.)</u>	<u>Amount</u>
Water Line Improvements	17-03	K.S.A. 12-6a01 <i>et seq.</i>	\$165,000
Street Improvements	17-04	K.S.A. 12-6a01 <i>et seq.</i>	<u>602,000</u>
<i>Total</i>			<i>\$767,000</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 \$685,328.11, with all of said cost to be paid by the owners of the property within the City benefited by the Improvements and with \$0 of said cost to be paid by the City at large, and that the owners of the property benefited by the Improvements have paid \$0 in cash into the City Treasury on account of the Improvements and there is \$0 available in the City Treasury to pay part of said cost, leaving \$685,000* 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 \$685,000* of its general obligation bonds, together with any bid premium thereon, to pay 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 OF GODDARD OF THE CITY OF GODDARD, 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.*, 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 Bonds, Series 2020-3, dated September 30, 2020, authorized by this Ordinance.

“**City**” means the City of Goddard, 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.

“**Governing Body**” means the Governing Body 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 2017-1 Notes maturing in the year 2020, in the aggregate principal amount of \$767,000.

“**Series 2017-1 Notes**” means the City's General Obligation Temporary Notes, Series 2017-1, dated July 1, 2017.

“**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 Bonds, Series 2020-3, of the City in the principal amount of \$685,000*, for the purpose of providing funds to: (a) pay the costs of the Improvements and interest on the Bonds; (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 full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

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

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

The taxes 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, approval by the Mayor and publication of the Ordinance or a summary thereof in the official City newspaper.

PASSED by the Governing Body on September 8, 2020 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

Hunter Larkin, Mayor

ATTEST:

Teri Laymon, Clerk

**City of Goddard
City Council Meeting
September 8, 2020**

TO: Mayor and City Council
SUBJECT: Resolution Authorizing & Prescribing the Form of the Sale of
G.O. Bond 2020-03 Sale for
St. Andrews Ph. 4 Water & Paving Improvement
INITIATED BY: City Council
PREPARED BY: City Administrator
AGENDA: New Business

Background: The City authorized improvements to St. Andrews Place Fourth Addition for water and paving improvements, constructed the property owner petitioned improvements with the issuance of General Obligation (GO) temporary notes, and conducted a public hearing and special assessment process in accordance to the property owner petitions and state statutes. A timeline of action items is listed below:

- April 4, 2017
 - Res. 17-03 for 8" water main improvements serving 53 parcels: Lots 7-51, Block A and Lots 6-13, Block B. with an estimated cost of \$165,000 and apportioned on a 1/53rd per lot basis to finance the improvement. The resolution was published in the April 6, 2017 edition of the Times-Sentinel.
 - Res. 17-04 for paving improvements (24' wide asphalt mat) serving 53 parcels: Lots 7-51, Block A and Lots 6-13, Block B. with an estimated cost of \$602,000 and apportioned on a 1/53rd per lot basis to finance the improvement. The resolution was published in the April 6, 2017 edition of the Times-Sentinel.
 - Please note that the Engineering Service Agreement, Inspection Services Agreement, Construction Staking, Issuance Costs, as well as contingency and administration overhead is included in the total amount of issuance of \$767,000.
- June 19, 2017
 - Resolution 17-08 was unanimously approved authorizing the sale of Series 2017-01 General Obligation Temporary Note Sale for a principle amount of \$767,000 with Cooper Malone submitting the best bid at an interest rate of 1.4% and a total interest payment of \$34,898.50. The improvements have been constructed with the next step in the process being placing the long-term financing of the improvements onto the special assessment roll.

In accordance to the desires of the developer, the assessments are presented as 20-year annual payment assessments.

- July 6, 2020 Regular City Council meeting, the Governing Body unanimously approved a statement of final costs, the assessment roll certification, the notice of public hearing, the form of notice of hearing and statement of cost to be assessed. The approvals are generally described below:

Statement of Final Costs

Construction Cost of Improvements	\$493,423.70
Engineering Cost of Improvements	\$91,230.34
Total Cost of Issuance	\$40,508.02
Bond Capitalized Interest	\$22,127.55
Temporary Note Interest	\$34,898.50
Administration Fee	\$3,140.00
Total Issuance Cost	\$685,328.11

- August 17, 2020 the City Council unanimously adopted Resolution 20-12 authorizing the solicitation of bids for consideration on September 8, 2020.
- The City Council has/will consider an ordinance authorizing the sale of the bonds, the parameters and conditions are set forth in the resolution under present consideration.

Analysis: The resolution authorizes the sale and issuance of the Series 2020-3 issuance totals \$685,000. The term of the notes will be from 2022 to 2041 with payments made beginning April; 1, 2020, on April 1 and October 1 of each calendar year. The bond sale amount totals \$685,000. The 2020-3 issuance will be redeemable on October 1, 2027. The Series 2017-1GO temporary notes will be retired with this issuance. This issuance will bring the City of Goddard's GO indebtedness to \$17,167,000.

Financial: The process presented for the assessment of St. Andrews Addition Phase IV is identical to that used for St. Andrews Phases I, II, & III, as well as, all other subdivisions within Goddard. Failure to assess the parcels as petitioned by the developer and defined within the presented statutory process, results in the City at-large incurring the cost of improvements.

Legal Considerations: The documents have been drafted by City Bond Counsel Kevin Cowan or Gilmore & Bell and are based on the assessments and costs identified by City Staff and City Financial Advisor Bret Shogren of Stifel Nicholas, and reviewed and approved as to form by City Attorney Ryan Peck.

Recommendations/Actions: It is recommended the City Council: Adopt the proposed resolution as presented.

1. Present and move for adoption of the resolution. **(VOICE)**
2. Mayor/Presiding Officer declares the resolution duly adopted

Attachments: H.2.a Resolution (35 pages)

RESOLUTION NO. []

OF

THE CITY OF GODDARD, KANSAS

ADOPTED

SEPTEMBER 8, 2020

**GENERAL OBLIGATION BONDS
SERIES 2020-3**

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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 BONDS, SERIES 2020-3, OF THE CITY OF GODDARD, 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 Governing Body of the Issuer (the “Governing Body”) to adopt a resolution prescribing certain details and conditions and to make certain covenants with respect to the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF GODDARD OF THE CITY OF GODDARD, KANSAS, AS FOLLOWS:

ARTICLE I

DEFINITIONS

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

“**Act**” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq.*, and K.S.A. 12-6a01 *et seq.* of the Issuer, 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, Topeka, Kansas and any successors and assigns.

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

“Bonds” or **“Bond”** means the General Obligation Bonds, Series 2020-3, 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 Goddard, 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.

“Consulting Engineer” means an independent engineer or engineering firm, or architect or architectural firm, having a favorable reputation for skill and experience in the construction, financing and operation of public facilities, at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Consulting Engineer by this Bond Resolution.

“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 Bonds, Series 2020-3 created pursuant to **Section 501** hereof.

“Dated Date” means September 30, 2020.

“Debt Service Account” means the Debt Service Account for General Obligation Bonds, Series 2020-3 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.

“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 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.

“Fitch” means Fitch Ratings, 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, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

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

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

“Improvement Fund” means the Improvement Fund for General Obligation Bonds, Series 2020-3 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 October 1 and April 1 of each year, commencing April 1, 2021.

“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.

“Kroll” means Kroll Bond Rating Agency, Inc., 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, “Kroll” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“**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, 118 N. Main, P.O. Box 667,
Goddard, Kansas 67052
Fax: (316) 794-2401

(b) To the Paying Agent at:

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

(c) To the Purchaser:

Fax:

(d) To the Rating Agency(ies):

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

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

Fitch Ratings
One State Street Plaza
New York, New York 10004

Kroll Bond Rating Agency
845 Third Avenue, 4th Floor
New York, New York 10022

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 Fiscal 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. [___] 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, Topeka, Kansas and any successors and assigns.

“Permitted Investments” shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the

Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

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

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

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

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

“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 2017-1 Notes maturing in the year 2020, in the aggregate principal amount of \$767,000.

“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 October 1, 2020.

“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.

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

“Series 2017-1 Notes” means the Issuer's General Obligation Temporary Notes, Series 2017-1, dated July 1, 2017.

“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.

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

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

[**“Term Bonds”** means collectively the 20__ Term Bonds, the 20__ Term Bonds, the 20__ Term Bonds and the 20__ 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 \$685,000*, for the purpose of providing funds to: (a) pay the costs of the Improvements [and interest on the Bonds]; (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>October 1</u>	Principal <u>Amount</u>	Annual Rate <u>of Interest</u>	Stated Maturity <u>October 1</u>	Principal <u>Amount</u>	Annual Rate <u>of Interest</u>
2022	\$25,000	___%	2032	\$35,000	___%
2023	25,000	___%	2033	35,000	___%
2024	30,000	___%	2034	35,000	___%
2025	30,000	___%	2035	35,000	___%
2026	30,000	___%	2036	40,000	___%
2027	30,000	___%	2037	40,000	___%
2028	30,000	___%	2038	40,000	___%
2029	30,000	___%	2039	40,000	___%
2030	30,000	___%	2040	45,000	___%
2031	35,000	___%	2041	45,000	___%

[TERM BONDS

Stated Maturity <u>October 1</u>	Principal <u>Amount</u>	Annual Rate <u>of Interest</u>
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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, Topeka, Kansas, 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 August 17, 2020 is hereby ratified and approved.

The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor and Clerk 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 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 October 1 in the years 2027, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on October 1, 2026, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

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

<u>Principal Amount</u>	<u>Year</u>
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*Final Maturity]

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

<u>Principal Amount</u>	<u>Year</u>
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*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, 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 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

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 Bonds, Series 2020-3.
- (b) Debt Service Account for General Obligation Bonds, Series 2020-3 (within the Bond and Interest Fund).
- (c) Costs of Issuance Account for General Obligation Bonds, Series 2020-3.

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

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

- (a) All accrued interest and 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 remaining balance of the proceeds derived from the sale of the Bonds (\$_____) including \$_____, representing a portion of the interest on the Bonds, shall be deposited in the Improvement Fund.

Section 503. Application of Refunded Note Proceeds and Moneys in the Improvement Fund; Redemption of Refunded Notes. Unspent proceeds of the Refunded Notes will be applied to the Redemption of the Refunded Notes on the Refunded Notes Redemption Date. Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements; and (b) after application of proceeds of the Refunded Notes, 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 Mayor (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 Mayor (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution. After redemption of the Refunded Notes, and 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 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 506. 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 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 507. 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 30 days prior to the first Interest Payment Date, shall be transferred to the Improvement Fund until completion of the Improvements and thereafter 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 Clerk are hereby authorized and directed to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published

rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

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

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 901. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Clerk, and a duplicate copy of the audit shall be mailed to the Purchaser. 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 902. 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 903. 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 904. 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 905. 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 906. 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 907. 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 908. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 909. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

ADOPTED by the Governing Body on September 8, 2020.

(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 September 8, 2020, as the same appears of record in my office.

DATED: September 8, 2020.

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 SEDGWICK
CITY OF GODDARD
GENERAL OBLIGATION BOND
SERIES 2020-3**

Interest
Rate:

Maturity
Date:

Dated
Date: September 30, 2020

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Goddard, in the County of Sedgwick, 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 October 1 and April 1 of each year, commencing April 1, 2021 (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

Registration Date: _____

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

By _____

Registration Number: _____

(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 Bonds, Series 2020-3,” aggregating the principal amount of \$685,000* (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. 12-6a01 *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 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 CITY OF GODDARD

STATE OF KANSAS)
) SS.
COUNTY OF SEDGWICK)

The undersigned, Clerk of the City of Goddard, Kansas, does hereby certify that the within Bond has been duly registered in my office according to law as of September 30, 2020.

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

City of Goddard
City Council Meeting
September 8, 2020

TO: Mayor and City Council
SUBJECT: Truck #5 Sale Request
INITIATED BY: Public Works Director
AGENDA: New Business

Background: Truck number 5 is a 2006 Ford F150 with 66,096 miles. It has significant body rust and an inoperable transmission. The cost to repair and keep this truck operational exceeds the \$2,000 estimated value of the truck.

Analysis: Truck number 5 is inoperable and repair costs exceed the value of the truck. Public Works is requesting to advertise the truck for sale on the auction site Gavel Roads.

Financial: None

Legal Considerations: Approved as to form

Recommendations/Actions: It is recommended: The City Council approve the advertisement and sale of truck number 5.

Attachments: Exhibit A: Picture of Truck (1 page)



City of
Goddard

F150

City of Goddard
City Council Meeting
September 8, 2020

TO: Mayor and City Council
SUBJECT: City owned Farmland Lease
INITIATED BY: Public Works Director
AGENDA: New Business

Background: As part of the north park land exchange with Tanganyika Wildlife Park the City received approximately 19 acres of farm ground that lies directly north of the public works facility (Exhibit H.4.b). The previous owners leased the property to a local farmer on a cash rent basis. Lease terms include a annual fixed fee cash payment of \$765.60 and automatic lease renewal on March 1st for the upcoming year.

The lessee, Mr. Alan Smarsh, approached the City and asked to continue farming the property following the same terms as in prior year leases. Due to a lapse in communication between he and the prior owners, Mr. Smarsh was not aware that the City had taken ownership of the property. As a result, Mr. Smarsh assumed the lease had automatically renewed and began working the ground to prepare for planting a winter wheat crop to be harvested in the summer of 2021. He put a significant amount of work into the property, including tilling the ground three times to work under the prior crop's wheat stubble, and the application of fertilizer.

The City currently has no short-term plans for use of the property beyond planting and maintaining grass.

Analysis: Continuation of the lease would allow the City to accrue revenue from the property and it will not require City maintenance. Due to the fact the lessee has already prepared the property for planting, it would be in the City's best interest to adhere to the terms existing lease. Lease year is March 1st – February 28th renewals to be reviewed and approved annually by the City Council until a plan is developed for other use of the property. Included in (Exhibit H.4.a) is a copy of the lease agreement.

Financial: None

Legal Considerations: Approve as to form

Recommendations/Actions: It is recommended: The City Council allow the City to enter into a cash rent lease agreement with Mr. Alan Smarsh allowing crop production on the City owned farm ground.

Attachments: Exhibit H.4.a: Lease agreement (4 pages); Exhibit H.4.b: Map of Land Swap (1 page)

FARM LEASE AGREEMENT

This Farm Lease Agreement (this "Lease") is entered into this ___ day of September, 2020 to be effective as of March 1, 2020, by and between CITY OF GODDARD, KANSAS ("Lessor") and ALAN J. SMARSH ("Lessee").

WHEREAS, Lessor owns a tract of land consisting of approximately nineteen (19) acres located in the South Half of the Northwest Quarter (S/2 NW/4) of Section 29, Township 27 South, Range 2 West, Sedgwick County, Kansas, more particularly described on Exhibit A attached hereto (the "Farm Ground"); and

WHEREAS, subject to the following terms and conditions, Lessor desires to lease the Farm Ground to the Lessee and Lessee desires to rent the Farm Ground from the Lessor.

NOW THEREFORE, for good and valuable consideration and in consideration of the mutual covenants set forth below, Lessor and Lessee agree as follows.

1. Lease and Term. Lessor leases the Farm Ground to Lessee, and Lessee rents the Farm Ground from Lessor. This Lease shall have an initial term commencing on March 1, 2020 and ending on February 28, 2021. The ending date for all subsequent years of this Lease shall be February 28 of the then-current term of this Lease.

2. Renewal. After the initial term, this Lease shall continue year-to-year until terminated by written notice of one party to the other, no later than 30 days prior to February 28 of the then-current term.

3. Rental. Lessee will pay Lessor annual rental in the amount of \$765.60 in advance, which shall be paid on or before March 1 of each year. Lessor may from time to time give Lessee written notice of increase in annual rental for periods after the initial term, no later than 45 days prior to February 28 of the current term. Unless Lessee terminates this Lease as provided and within the time set forth in Section 2 above, the annual rent will increase in accordance with the notice given by Lessor.

4. Crops. Lessee shall be entitled to produce such crops as Lessee shall desire and shall be entitled to all the proceeds of the crops grown, for any participation in government programs, and for any other farming or grazing income realized from the Farm Ground. Except as provided below in this Section 4, all crops grown on the Farm Ground shall be the property of the Lessee. Lessee shall be responsible for all expenses and costs incurred in producing and marketing the crops grown on the Farm Ground, including all fertilizer, insecticides, herbicides, and any and all other expenses of production.

In the event Lessor gives Lessee notice of termination of this Lease after the planting of a growing crop upon the Property, this Lease shall continue until the time such growing crop is harvested by Lessee; provided, however, Lessee shall pay Landlord on the March 1 following the notice of termination one final installment of rent equal to one-half (1/2) of the annual rent payable hereunder. If, after Lessor has given a notice of termination of this Lease, Lessee nevertheless plants a crop on the Farm Ground which cannot be harvested prior to the last day of the Lease

(hereafter referred to as a “Lessor’s Crop”), such Lessor’s Crop shall be the sole property of Lessor, and Lessor shall have no obligation to reimburse Lessee for any cost or expense incurred in connection with the Lessor’s Crop, including, without limitation, the costs of tilling, cultivation, planting, seeds, fertilizer, insecticides, herbicides, labor or other services provided by Lessee.

5. Government Programs. Lessor will assist Lessee in qualifying the Farm Ground for any governmental farm programs which the Farm Ground or Lessee may be eligible, so long as such programs do not require participation beyond the then current term of the Lease. Except with respect to a Lessor’s Crop, Lessee shall receive all government payments under the government farm program in relation to the crop production or other use of the Farm Ground in participation under a government farm program during the term of this Lease, and such payments shall be the sole property of the Lessee. Notwithstanding the foregoing, Lessee will not enroll the Farm Ground in a Conservation Reserve Program (“CRP”) without the consent of Lessor, together with a mutually acceptable agreement between Lessor and Lessee on the sharing of costs and revenues related to enrollment in CRP.

6. Farming Practices; Weed Control; Condition. Lessee agrees to control and destroy noxious weeds and plants on the Farm Ground and further agrees to farm and care for the land in a good and customary manner during the term of this Lease and will abide by all laws applicable to the Lessee’s farming and ranching activities on the Farm Ground. Lessee will not undertake major earth-moving projects, drill new wells, affix new equipment on the Farm Ground, or otherwise materially change the nature or use of the Farm Ground without prior consent of the Lessor. Lessee agrees to care for the Farm Ground in a reasonably safe condition.

7. Default. If either party shall fail to abide by the terms of this Lease, then this Lease may be terminated by the non-breaching party by giving written notice of the breach to the other party. The written notice shall specifically describe the breach of obligation under this Lease and action necessary to correct the breach. If the breach is not corrected within (a) five (5) business days after the written notice in the event of Lessee’s nonpayment of rent or (b) thirty (30) days after the written notice is sent in the case of any other breach, then the non-breaching party, at its option may declare this Lease terminated and possession of the Farm Ground shall be returned to the Lessor. Termination of this Lease because of a breach by the Lessee shall not relieve Lessee of the obligation for unpaid rent owing for the remainder of the term of this Lease. The right to terminate described above shall be in addition to any and all other rights available under Kansas law. Lessee agrees to yield up prompt and peaceful possession of said Farm Ground, improvements, and Lessor irrigation pipe, if any, upon termination of this Lease.

8. Hold Harmless. Lessee agrees to indemnify and hold the Lessor and the property of the Lessor, including the Farm Ground, free and harmless from any and all claims, liability, loss, damage or expense resulting from the Lessee’s occupation and use of the Farm Ground, including, without limitation any claim, liability, loss or damage arising from any environmental contamination of the Farm Ground or the groundwater thereunder, violation of any environmental law, regulation, or rule of any kind, or any farming or ranching activity of any type undertaken by Lessee on the Farm Ground. Lessee shall obtain and maintain a commercial liability insurance policy with respect to the Farm Ground and Lessee’s operations thereon, in a minimum amount of

\$1,000,000 per occurrence, naming Lessor as an additional insured. Lessee will furnish Lessor with a certificate of liability insurance annually upon renewal of the policy.

9. Miscellaneous and Special Provisions

- a. This lease shall be binding upon the parties hereto and their respective heirs, legal representatives, successors in interests and permitted assigns.
- b. All utilities of any kind shall be paid for by the Lessee.
- c. Lessee will not sublease the Farm Ground or assign this Lease.
- d. If cattle are grazed on the Farm Ground, Lessee will ensure that adequate fences are erected to contain the cattle and to prevent property damage or personal injury resulting from stray cattle.
- e. Hunting is absolutely prohibited on the Farm Ground. Lessee will neither hunt nor allow any other party to hunt thereon.
- f. Lessee accepts possession of the Farm Ground as is, on the basis of Lessee's inspection. **THERE ARE NO WARRANTIES, STATUTORY OR OTHERWISE, EXPRESS OR IMPLIED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, IT IS MUTUALLY AGREED THAT LESSOR MAKES NO WARRANTY OF MERCHANTABILITY OR THE FITNESS FOR ANY PURPOSE.** Lessee shall be solely responsible for all repairs to, and maintenance of, the Farm Ground. Lessee agrees to accept sole liability, and Lessor shall be relieved completely of any liability, for loss or damage, directly or indirectly to persons or property, occurring as a result of performance or nonperformance of obligations imposed under this lease or from negligence specifically active or passive negligence, or otherwise, of Lessee.
- g. Wherever "February 28" appears in this Lease, it shall be deemed to mean "February 29" with respect to any term of this Lease ending in a leap year.
- h. This Lease contains the entire agreement between parties and cannot be amended or modified except an instrument in writing executed by the parties.
- i. This Lease is junior and subject to any oil or gas or other mineral lease or wind energy lease that now exists or may hereafter be placed on the Farm Ground, and Lessor reserves the right to conduct oil and gas and other mineral exploration and wind energy development operations, together with the right of ingress and egress for carrying on said operations. Lessee agrees Lessee will not interfere with the rights of the Lessor or Lessor's wind or mineral development lessees.

- j. To the fullest extent allowed by law, Lessee disclaim, waives, and renounces any right, provision, protection, or benefit arising under any statute for the protection or benefit of tenants or farm tenants.

In WITNESS WHEREOF, the parties hereto have executed and entered into this Farm Lease Agreement the date first written above, to be effective as of March 1, 2020.

LESSOR:

LESSEE:

City of Goddard, Kansas

By: _____
Hunter Larkin, Mayor

Alan J. Smarsh

ATTEST:

By: _____
Teri Laymon, Clerk



**City of Goddard
City Council Meeting
September 8, 2020**

TO: Mayor and City Council
SUBJECT: 183rd Frontage Road Project Bid Award
INITIATED BY: City Administrator
AGENDA: New Business

Background: On November 19, 2018, the City submitted a project request to KDOT for the construction of a left turn lane at the 183rd & US-54/400/Kellogg intersection and the North Kellogg frontage road realignment. KDOT agreed to finance 100% of the construction of the project up to \$656,000. The City was notified of this award on January 3, 2019. On February 4, 2019, the Governing Body unanimously approved a right-of-way purchase agreement for the for the 2019 Capital Improvement Program (CIP) project to install a turn lane and realign the existing frontage road on the Kellogg north frontage road & 183rd Street. The agreed upon purchase price was \$50,000.

Because the project is utilizing Federal Highway Funds two property appraisals are required with the median value of the two appraisals. The median valuation is \$56,335 and is based upon appraisals performed by Martens Appraisal (\$59,670) and the Roger Turner Group (\$53,000). The total difference is \$6,335. This amount exceeds staff authorization authority and necessitates Governing Body action.

The Governing Body approved Amendment #1 on May 6, 2019 that defined the purchase price to \$56,335.00. A second non-material amendment was approved on June 3, 2019 that included the disclosure that the Seller's representative is an immediate family member of the seller and acting as their representative with the City.

During plan review, KDOT requested the City modify its design to accommodate the US-54/400/Kellogg corridor traffic study completed by Transystems. This study included the need for the construction of left and right turn lanes and integrated traffic signalization in both directions of travel on 183rd Street. This request is significantly beyond the scope and budget estimate of the City's initial project request. Staff investigated the possibility of a new traffic study, however this is not necessary as its traffic volume would not justify the construction of only a single southbound left turn lane.

Further complicating the situation is the need to coordinate the intersection project timing with that of the RCUT project currently in the field check phase of development with plans under review by KDOT.

At the June 1, 2020 meeting, the City Council authorized the application of an amended project application that is contained within the 2020 Capital Improvement Program.

Analysis: Thursday, September 3, 2020 the City received five (5) bids from contractors interested in constructing the 183rd Street frontage road. Bids were solicited for asphalt and concrete pavement.

The best bids are as follows:

- Asphalt: Pearson Construction, LLC for \$265,660.45
- Concrete: Prado Construction for \$291,836.00

The City has historically considered concrete as the preferred method when price between asphalt and concrete are comparable.

Financial: Cost for the construction of the project is contained within the 2020 Capital Improvement Program and is being financed entirely by the Kansas Department of Transportation (KDOT).

Legal Considerations: Approved as to form

Recommendations/Actions: It is recommended the City Council: Award the bid to the best bid for the desired pavement type. (VOICE)

Attachments: None