

Approved

Ivan Sand

Date

2-16-88

MINUTES OF THE House COMMITTEE ON Local Government

The meeting was called to order by Representative Ivan Sand at
Chairperson

1:30 ~~a.m.~~/p.m. on February 11, 1988 in room 521-S of the Capitol.

All members were present except:
Representative Johnson, excused

Committee staff present:
Mike Heim, Legislative Research Dept.
Bill Edds, Revisor of Statutes' Office
Lenore Olson, Committee Secretary

Conferees appearing before the committee:
Representative Anthony Hensley
Terry Stevens, City of Topeka
E. A. Mosher, Executive Director, League of Kansas Municipalities

Representative Hensley testified in favor of HB 2718, stating that it is a temporary situation and applies only to the city of Topeka. He also stated that this bill has the unanimous support of the Shawnee county legislative delegation. (Attachment 1)

Terry Stevens testified in favor of HB 2718, stating that it is a city of Topeka request, and it has been determined that one short term solution to providing this necessary service would be to extend the existing sewer lines from the Metropolitan Topeka Airport Authority. (Attachment 2)

A motion was made by Representative Francisco and seconded by Representative Miller to pass HB 2718. The motion carried.

Representative Schauf testified in favor of HB 2726, to eliminate the publication in the newspaper, regarding the sale of Municipal bonds.

E. A. Mosher testified in support of HB 2726, stating that he feels there are several options available besides continuing the present practice. (Attachment 3)

Chairman Sand temporarily closed the hearing on HB 2726.

A motion was made by Representative Baker and seconded by Representative Rezac to introduce a bill to authorize the sale of a house constructed by students on school property. The motion carried.

A motion was made by Representative Miller and seconded by Representative Acheson to introduce a bill that limits cemetery board membership to the county in which the district is formed. The motion carried.

Bill Edds distributed information on HB 2797 and explained the balloon. (Attachment 4)

A motion was made by Representative Graeber and seconded by Representative Acheson to accept the balloon on HB 2797. The motion carried.

A motion was made by Representative Francisco and seconded by Representative Graeber to change line 57 of HB 2797 from "three" to "one" special public hearing. The motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Local Government,
room 521-S, Statehouse, at 1:30 a.m./p.m. on February 11, 1988

A motion was made by Representative Miller and seconded by Representative Fry to change line 72 in HB 2797 from the words "statute book" to the words "Kansas Register." The motion failed.

A motion was made by Representative Holmes and seconded by Representative Baker to pass HB 2797 as amended. The motion carried.

The meeting adjourned.

Memorandum



TO: Mayor Douglas S. Wright
FROM: Public Works
SUBJECT: Sewer Service to the Proposed Lario Site
DATE: December 18, 1987

The Public Works Department has been working with the proposed Lario site for the race track and associated commercial development specifically in addressing the provision of essential services.

Sanitary sewer service for ultimate development of this area will be by either extension of the City's South Branch Shunganunga Interceptor or a new regional treatment plant. Selection of the final service alternate must be coordinated through the Kansas Department of Health and Environment and be consistent with the Section 208 Water Quality Management Plan for the Topeka area. This process, as well as design and construction of these facilities, will take several months (36-48) to achieve. In order to provide sanitary sewer service for the initial development, two short term service alternatives have been identified. These include an on-site, non-discharging lagoon or connection to the existing MTAA sanitary sewer system. In order to have this second option available, Chapter 132 of the 1987 Session Laws need to be amended.

Edie L. Snethen
Director of Public Works

ELS/vsb

*Attachment 1
2/11/88*

HOUSE LOCAL GOVERNMENT COMMITTEE
TESTIMONY ON H.B. 2718
PRESENTED BY
TERRY L. STEVENS
LEGISLATIVE LIAISON FOR THE CITY OF TOPEKA

During the 1987 legislative session, The Kansas Legislature amended K.S.A. 27-331, which relates to the powers and duties of airport authorities in Kansas. This change is reflected in Chapter 132 of the 1987 Session Laws. Specifically, it allows an airport authority to own, operate, and dispose of water and sewage utility systems. Also included in the amended change to the statute is the authority to purchase and resell water and sewage utilities to a person, firm, or corporation within the territory owned by the respective authority.

As many of you might be aware, the City of Topeka, recently negotiated an agreement with Lario Enterprises for construction of a racetrack facility and commercial development area on a parcel of land outside the boundaries currently controlled by the Metropolitan Topeka Airport Authority (M.T.A.A.). Included in the agreement is the responsibility of the City of Topeka to provide certain "essential services" under their jurisdiction, namely water and sewer services. Currently, sewer services are not available from existing city sewer lines to either the proposed racetrack facility or the Lario commercial development site. It has been determined, that one short term solution to providing this necessary service would be to extend the existing sewer lines from the Metropolitan Topeka Airport Authority. This would allow for the utilization of the present sewage treatment plant operated by the Metropolitan Topeka Airport Authority.

In order to make this a viable solution, it would necessitate amending current language in the state statute, eliminating the requirement that the receiver of the utility system be located within the territory under the control of the airport authority. Representatives of the Metropolitan Topeka Airport Authority have been contacted regarding this proposal and have indicated support for this legislation.

In conclusion, The City of Topeka would respectfully request favorable consideration for this legislation by the committee, with a recommendation for passage.

*attachment 2
2/11/88*



League of Kansas Municipalities

PUBLISHERS OF KANSAS GOVERNMENT JOURNAL/112 WEST SEVENTH ST., TOPEKA, KANSAS 66603/AREA 913-354-9565

RE: HB 2726--Publication of Municipal Bond Notices
 TO: House Committee on Local Government
 FROM: E.A. Mosher, Executive Director
 DATE: February 11, 1988

The League supports the concept of HB 2726--to eliminate one of the required legal publications for municipal bond sale notices. For many years, the notice of the public sale of municipal bonds was required under K.S.A. 10-106 to be published in a newspaper within the county and in the official state paper. In 1981, the act which provided for publication of the Kansas Register included, as one of its 35 sections, a provision that bond notices should be published in the Kansas Register in lieu of the official state paper.

This resulted in some practical and legal problems. The requirement of the Secretary of State that copy for publication in the Kansas Register be submitted one week in advance of the date of publication, and the fact that the Kansas Register is published only weekly, prevented some local governments from meeting the statutory requirement that the notice must be published not less than 10 days prior to the sale.

As a result, the League sponsored a bill in 1982 to go back to the previous system of publication in the official state paper. At a hearing before the House Committee on Local Government on this Senate-passed bill, the Secretary of State's office objected to the loss of revenue which would occur to meet the publication expenses of the Kansas Register if bond sale notices were switched back to the official state paper.

The final resolution was Chapter 54, 1982 Session Laws of Kansas, now requiring local governments to pay the cost of three published notices: (1) in the local newspaper, (2) in a newspaper designated by the Secretary of State and published in Topeka, and (3) in the Kansas Register.

Another significant change was made--the Kansas Register notice does not have to be timely; it does not need to be published 10 days in advance of the sale notice; it could be published even after the sale. In effect, publication in the Kansas Register is a "courtesy advertisement." It is the local paper and the state paper that serves as the legal notice.

Attached to my testimony is information as to bond sale notices published in the Kansas Register in 1987. It shows the date the Kansas Register was published and the bid date for the sale of the bonds. Of the 80 bond sale notices published in the Kansas Register, 34 of them did not meet the 10-day minimum and 46 did meet the minimum.

The League is in support of some corrective action to what we consider to be a waste of public funds in requiring three legal publications. Our convention-adopted Statement of Municipal Policy provides that: "The

*Attachment 3
2/11/88*

requirement for publication of bond sale notices in the Kansas Register, which duplicates required notices in the official state paper and local papers, should be eliminated."

It seems to us that there are several options available:

- (1) Continue the present practice.
- (2) Eliminate the publication in the Kansas Register, continuing the requirement for publication in the state paper.
- (3) Provide for an abbreviated announcement in the Kansas Register, such as "The City of X will sell bonds in the amount of \$_____ at public sale on _____. A notice of this sale was published in the _____ issue of the Topeka Capital-Journal."
- (4) Reduce the minimum time requirement for all bond sale notices from 10 days to 5 days.
- (5) Provide an option to the issuing agency of publishing the notice in the state paper or the Kansas Register, but continuing the 10 day requirement.

I would note that municipal bond buyers who now want timely notice of all public sales must now buy a subscription to the state paper.

**1987 BOND SALE INFORMATION
KANSAS REGISTER**

Municipalities publishing less than the required 10 days notice

<u>DATE PUBLISHED</u>	<u>BID DATE</u>	<u>DAYS</u>	<u>ENTITY</u>	<u>AMOUNT</u>
01-22-87	01-27-87	6	Hutchinson	1,065,000
02-26-87	03-02-87	5	USD 102	200,000
02-26-87	03-05-87	8	Enterprise	142,500
03-26-87	03-30-87	5	Ellsworth	570,000
04-02-87	04-07-87	6	USD 437	3,900,000
04-02-87	04-07-87	6	Wamego	406,500
04-02-87	04-07-87	6	Wellington	304,512
04-16-87	04-22-87	7	Reno County	250,000
04-16-87	04-24-87	9	USD 287	133,000
04-23-87	04-28-87	6	Andover	560,393
04-23-87	04-28-87	6	Topeka	4,200,000
04-23-87	04-28-87	6	Topeka	6,400,000
06-04-87	06-08-87	5	USD 244 (amended)	1,800,000
06-11-87	06-15-87	5	Leawood	2,400,000
06-11-87	06-18-87	8	Lenexa	5,205,000
07-02-87	07-07-87	6	Kansas City	4,115,000
07-23-87	07-28-87	6	Hutchinson	1,325,000
08-13-87	08-20-87	8	Mission	214,400
08-20-87	08-24-87	5	Sherman County	170,000
08-20-87	08-26-87	7	Minneola (amended)	214,400
08-27-87	09-01-87	6	Olathe	6,900,000
09-03-87	09-08-87	6	Washington County	225,000
09-10-87	09-14-87	5	Salina	2,650,000
09-17-87	09-22-87	6	Lawrence	350,000
09-24-87	09-30-87	7	Independence	240,000
10-08-87	10-13-87	6	Topeka	3,195,000
10-08-87	10-13-87	6	Topeka	4,970,000
10-08-87	10-15-87	8	Johnson County	3,880,000
10-15-87	10-19-87	5	Harvey County	2,500,000
11-05-87	11-09-87	5	Salina	5,000,000
11-12-87	11-17-87	6	Derby	444,225
11-12-87	11-17-87	6	Elwood	225,000
11-12-87	11-17-87	6	Junction City	1,165,000
11-26-87	12-02-87	7	Newton	230,747

Average: 6
Count: 34

33

**1987 BOND SALE INFORMATION
KANSAS REGISTER**

Municipalities publishing over the required 10 days notice

<u>DATE PUBLISHED</u>	<u>BID DATE</u>	<u>DAYS</u>	<u>ENTITY</u>	<u>AMOUNT</u>
01-08-87	01-19-87	12	Clearwater	198,645
01-08-87	01-22-87	15	Kingman	150,000
01-15-87	01-26-87	12	Eastborough	150,000
01-15-87	01-26-87	12	USD 263	2,000,000
01-22-87	02-02-87	11	USD 200	2,000,000
02-05-87	02-16-87	12	Chanute	578,950
02-19-87	03-09-87	18	USD 218	1,825,000
03-12-87	03-24-87	13	Weir	157,500
03-19-87	04-02-87	14	Greenwood County	250,000
04-02-87	04-14-87	13	Shawnee County	1,207,737
04-02-87	04-14-87	13	Troy	272,000
04-09-87	04-27-87	19	Newton	255,000
04-16-87	04-27-87	12	Goddard	285,011
04-16-87	05-05-87	20	Manhattan	778,000
04-23-87	05-04-87	12	USD 448	190,000
05-14-87	05-28-87	15	Hays	540,000
05-14-87	06-01-87	18	USD 303	1,375,000
05-21-87	06-04-87	14	Corning	140,000
05-28-87	06-08-87	11	USD 244	1,800,000
05-28-87	06-09-87	12	Pittsburg	196,644
05-28-87	06-15-87	18	Sabetha	317,867
06-11-87	06-23-87	13	Overland Park	5,900,000
06-18-87	06-29-87	12	Lindsborg	325,000
06-18-87	06-30-87	13	Medicine Lodge	171,640
06-25-87	07-07-87	13	Humboldt	300,000
07-02-87	07-13-87	12	Solomon	319,854
07-02-87	07-13-87	12	USD 247	150,000
07-09-87	07-22-87	14	Sedgwick County	6,415,444
07-16-87	07-28-87	13	Leavenworth	364,442
07-16-87	07-29-87	14	Decatur County	2,700,000
07-23-87	08-03-87	11	Meade County	1,220,000
07-23-87	08-11-87	19	USD 264	2,350,000
07-30-87	08-10-87	12	Greensburg	144,000
08-06-87	08-18-87	13	Minneola	140,000
08-06-87	08-18-87	13	Sumner County	300,000
09-10-87	09-23-87	14	Lakin	187,000
09-10-87	09-28-87	19	Doniphan County	161,000
09-10-87	09-28-87	19	USD 440	600,000
09-17-87	10-15-87	28	Frontenac	200,000
10-01-87	10-13-87	13	Argonia	195,000
10-01-87	10-14-87	14	Leavenworth County	2,820,000
10-22-87	11-03-87	13	Manhattan	585,000
11-05-87	11-16-87	12	Liberal	420,000
11-19-87	11-30-87	12	Rawlins County	225,000
11-19-87	12-01-87	14	USD 364	1,790,000
11-26-87	12-07-87	12	Rawlins County	225,000

Average: 14
Count: 46

3-4

(Published in The Topeka
Capitol Journal November 21, 1986)

NOTICE OF BOND SALE
\$500,000
GENERAL OBLIGATION BONDS
SERIES A, 1986
OF THE

CITY OF HOLCOMB, KANSAS
(GENERAL OBLIGATION BONDS PAYABLE
FROM UNLIMITED AD VALOREM TAXES)
Sealed Bids. Sealed bids will be received by the
undersigned, City Clerk of the City of Holcomb,
Kansas (the "City"), on behalf of the Governing
Body at the City Hall, Holcomb, Kansas, until 7:30
P.M., Central Standard Time, on

WEDNESDAY, DECEMBER 10, 1986

for the purchase of \$500,000 principal amount of
General Obligation Bonds, Series A, 1986 (the
"Bonds"), of the City hereinafter described. All
bids will be publicly opened and read at said time
and place and will be acted upon by the govern-
ing body immediately thereafter. No oral or auc-
tion bids will be considered.

Bond Details. The Bonds will consist of fully
registered bonds in denominations of \$5,000 or
any integral multiple thereof, dated December 1,
1986, and becoming due serially on October 1 in
the years as follows:

YEAR	PRINCIPAL AMOUNT
1988	\$5,000.00
1989	5,000.00
1990	5,000.00
1991	5,000.00
1992	5,000.00
1993	5,000.00
1994	10,000.00
1995	10,000.00
1996	10,000.00
1997	15,000.00
1998	20,000.00
1999	20,000.00
2000	35,000.00
2001	35,000.00
2002	40,000.00
2003	45,000.00
2004	50,000.00
2005	55,000.00
2006	60,000.00
2007	65,000.00

The Bonds will bear interest from the date
thereof at rates to be determined when the Bonds
are sold as hereinafter provided, which interest
will be payable semiannually on April 1 and Octo-
ber 1 in each year, beginning on April 1, 1988.

Place of Payment and Bond Registration. The
principal of and interest on the Bonds will be
payable in lawful money of the United States of
America by check or draft of the Treasurer of the
State of Kansas, Topeka, Kansas (the "Paying
Agent") and "Bond Registrar"), to the registered
owners thereof whose names are on the registra-
tion books of the Bond Registrar as of the 15th
day of the month preceding each interest pay-
ment date. The Bonds will be registered pursuant
to a plan of registration approved by the City and
the Attorney General of the State of Kansas.

The City will pay for the fees of the Bond
Registrar for registration and transfer of the
Bonds and will also pay for 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 Regis-
trar, will be the responsibility of the bondown-
ers. The number, denominations of the Bonds,
and the names, addresses and social security or
taxpayer identification numbers of the registered
owners shall be submitted in writing by the suc-
cessful bidder to the City and Bond Registrar at
least two weeks prior to the closing date. In the
absence of such information, the City will deliver
one Bond per maturity registered in the name of
the manager of the successful bidder. The initial
reoffering price to the public shall be furnished to
the City at least one week prior to the closing
date. A Certificate setting forth such initial reof-
fering price to the public shall be furnished to the
City by the original purchaser at closing.

Redemption of Bonds Prior to Maturity. Bonds
maturing in the years 1988 to 1997, inclusive, shall
become due without option of prior payment. At
the option of the City, Bonds maturing in the
years 1998, and thereafter, may be called for
redemption and payment prior to maturity in
whole or in part in inverse order of maturity
(selection of bonds within the same maturity to
be by lot by the City in such equitable manner as
it may determine) on October 1, 1997, or on any
interest payment date thereafter at the redemp-
tion price of 103% (expressed as a percentage of
the principal amount), plus accrued interest to the
redemption date.

Whenever, the City is to select the Bonds for
the purpose of redemption, it shall, in the case of
Bonds in denominations greater than \$5,000, if
less than all of the Bonds then outstanding are to
be called for redemption, treat each \$5,000 of face
value of each such fully registered Bond as though
it were a separate Bond of the denomination of
\$5,000.

If the City shall elect to call any Bonds for
redemption and payment prior to the maturity
thereof, the City shall give written notice of its
intention to call and pay said Bonds on a specified
date, said notice to be mailed by United States

registered or certified mail addressed to the regis-
tered owners of said Bonds, to the Treasurer of
the State of Kansas, Topeka, Kansas, and to the
manager or managers of the underwriting ac-
count making the successful bid, each of said
notices to be mailed not less than 30 days prior to
the date fixed for redemption. If any Bond be
called for redemption and payment as aforesaid,
all interest on such Bond shall cease from and
after the date for which such call is made, provid-
ed funds are available for its payment at the price
hereinbefore specified.

Conditions of Bids. Proposals will be received
on the Bonds bearing such rate or rates of interest
as may be specified by the bidders, subject to
the following conditions: The same rate shall ap-
ply to all Bonds of the same maturity. Each
interest rate specified shall be a multiple of 1/8 or
1/20 of 1%. No interest rate shall exceed a rate
equal to the 20 bond index of tax exempt munic-
ipal bonds published by Credit Markets (formerly
the Weekly Bond Buyer) in New York, New York,
on the Monday next preceding the day on which
the Bonds are sold, plus 2%. No bid of less than
the entire par value of the Bonds and accrued
interest thereon to the date of delivery will be
considered and no supplemental interest pay-
ments will be authorized. Each bid shall specify
the total interest cost to the City during the life of
the Bonds on the basis of such bid, the premium,
if any, offered by the bidder, and the net interest
cost to the City on the basis of such bid; all
certified by the bidder to be correct; and the City
will be entitled to rely on the certificate of cor-
rectness of the bidder. Each bid shall also specify
the average annual net interest rate to the City on
the basis of such bid.

Basis of Award. The award of the Bonds will
be made on the basis of the lowest net interest
cost to the City, which will be determined by
subtracting the amount of the premium bid, if
any, from the total interest cost to the City. If
there is any discrepancy between the net interest
cost and the average annual net interest rate
specified, the specified net interest cost shall govern
and the interest rates shall be adjusted ac-
cordingly. If two or more proper bids providing
for identical amounts for the lowest net interest
cost are received, the governing body shall deter-
mine which bid, if any, shall be accepted, and its
determination shall be final. The City reserves the
right to reject any and/or all bids and to waive
any irregularities in a submitted bid.

Authority, Purpose and Security. The Bonds
are being issued pursuant to K.S.A. 12-6001 et
seq., as amended, for the purpose of paying the
cost of certain sewer and water improvements.
The Bonds and the interest thereon will constitute
general obligations of the City, payable from ad
valorem taxes which will be levied without limita-
tion as to rate or amount upon all the taxable
tangible property, real and personal, within the
territorial limits of the City.

Legal Opinion and Tax Exemption. The Bonds will
be sold subject to the legal opinion of GAAR &
BELL, Wichita, Kansas, Bond Counsel, whose ap-
proving legal opinion as to the validity of the
Bonds will be furnished and paid for by the
County, printed on the Bonds and delivered to the
successful bidder as and when the Bonds are
delivered.

On October 22, 1986, the President of the
United States signed into law H.R. 3838, the Tax
Reform Act of 1986 (the "Act"), which redesi-
gnates the Internal Revenue Code of 1954 as the
Internal Revenue Code of 1986 (the "1986 Code").
The 1986 Code imposes certain additional require-
ments and restrictions which must be met subse-
quent to the issuance of state and local govern-
ments obligations in order to maintain the
exemption from federal income taxation of the
interest on such obligations. The City will cov-
enant in the Bond Resolution to comply with the
provisions of the Act and to take all action as
may be necessary to comply with the Act and all
applicable future law to preserve the tax-exempt
status of the Bonds, to the extent such actions can
be taken by the governing body of the City.

In the opinion of Gaar & Bell, Wichita, Kansas,
Bond Counsel, under existing law, statutes, regu-
lations, rulings and judicial decisions, assuming
continued compliance by the City with the terms
of the Bond Resolution, the Bonds are exempt
from intangible personal property taxes levied by
Kansas Counties, cities or townships, and the
interest on the Bonds is exempt from federal
income taxation except as follows:

(a) For taxable years beginning in the
years 1987, 1988 and 1989, the interest on the
Bonds will be included in the adjusted net
book income of corporations. For purposes of
computing the corporate alternative mini-
mum tax, a corporation's alternative mini-
mum taxable income must be increased by
50% of the amount by which such corpora-
tion's adjusted net book income exceeds such
corporation's alternative minimum taxable in-
come (determined without regard to this ad-
justment or the alternative tax net operating
loss deduction). For taxable years beginning
after 1989, the use of "book income" will be
replaced by "adjusted current earnings," and
"50%" will be replaced by "75%." (b) For
taxable years beginning after December 31,
1986, property and casualty insurance compa-
nies will be required to reduce their deduction
for losses incurred on insurance contracts by
15% of the amount of interest received or
accrued on tax-exempt obligations acquired
after August 7, 1986, including the Bonds.
H.R. 2005, the Superfund Amendments and

Reauthor Act of 1986, which was enacted
on October 2, 1986, includes among its provisions
the imposition of a new environmental tax. Calc-
ulation of the tax is to be based generally on a
percentage of the corporate alternative minimum
taxable income as defined in the 1986 Code which
would include interest on tax-exempt obligations,
including the Bonds. The amount of tax is equal to
0.12% of excess of the alternative minimum tax-
able income (without regard to net operating
losses and the deduction for the environmental
tax) over \$2 million. The environmental tax is
imposed whether or not the taxpayer is subject to
the alternative minimum tax, but is deductible
from gross income. The environmental tax is
effective for taxable years beginning after 1991.
The imposition of this environmental tax could
result in additional taxation of interest on the
Bonds for certain bondowners.

A form of Bond Counsel's opinion is contained
in the Official Statement of the City with respect
to the Bonds.

Delivery and Payment. The City will pay for
printing the Bonds and will deliver the same
properly prepared, executed and registered with-
out cost to the successful bidder within 45 days
after the date of sale of such bank or trust
company in the STATE OF KANSAS or KANSAS
CITY, MISSOURI, as may be specified by the
successful bidder. The successful bidder will also
be furnished with a certified transcript of the
proceedings evidencing the authorization and is-
surance of the Bonds and the usual closing proofs
which will include a certificate that there is no
litigation pending or threatened at the time of
delivery of the Bonds affecting their validity. Pay-
ment for the Bonds shall be made in federal
reserve funds, immediately subject to use by the
City.

Good Faith Deposit. Each bid shall be accom-
panied by a cashier's or certified check drawn on
a bank located in the United States of America
equal to 2% of the total amount of the bid payable
to the order of the City. If a bid is accepted, said
check, or the proceeds thereof, will be held by the
City until the bidder shall have complied with all
of the terms and conditions of this Notice. If a bid
is accepted but the City shall fail to deliver the
Bonds to the bidder in accordance with the terms
and conditions of this Notice, said check, or the
proceeds thereof, will be returned to the bidder. If
a bid is accepted but the bidder defaults in the
performance of any of the terms and conditions
of this Notice, the proceeds of such check will be
retained by the City as and for liquidated dam-
ages. No interest will be paid upon the successful
bidder's good faith check.

CUSIP Numbers. It is anticipated that CUSIP
identification numbers will be printed on certifi-
cated Bonds or assigned to uncertificated Bonds,
but neither the failure to print such number on or
assign such number to any Bond nor any error
with respect thereto shall constitute cause for
failure or refusal by the purchaser thereof to
accept delivery of and pay for the Bonds in
accordance with the terms of the purchase con-
tract. All expenses in relation to the assignment
and printing of CUSIP numbers on the Bonds will
be paid by the City.

Bid Forms. All bids must be made on forms
which may be procured from the City Clerk or
the Financial Advisor. No additions or alterations
in such forms shall be made and any erasures
may cause rejection of any bid. The City reserves
the right to waive irregularities and to reject any
and/or all bids.

Submission of Bids. Bids must be submitted in
sealed envelopes addressed to the undersigned
City Clerk, and marked "Bond Bid." Bids may be
submitted by mail or delivered in person to the
undersigned at the City Hall and must be received
by the undersigned prior to 7:30 P.M., Central
Standard Time, on December 10, 1986.

Official Statement. The City has prepared an
Official Statement dated December 1, 1986, copies
of which may be obtained from the City Clerk or
from the Financial Advisor. Upon the sale of the
Bonds, the City will furnish the successful bidder
with a reasonable number of copies thereof with-
out additional cost upon request. Additional copies
may be ordered by the successful bidder at his
expense.

Assessed Valuation and Indebtedness. The total
assessed valuation of the taxable tangible prop-
erty within the City for the year 1985, are as
follows:

Equalized Assessed Valuation of Taxable Tangible Property	\$2,174,659
Tangible Valuation of Motor Vehicles.....	\$25,797
Equalized Assessed Tangible Valuation for Computations of Bonded Debt Limitations.....	\$2,700,456

The total general obligation indebtedness of the
City as of the date of the Bonds, including the
Bonds being sold, is \$1,498,000.

Additional Information. Additional information
regarding the Bonds may be obtained from the
City Clerk, or from the Financial Advisor, Mr.
Kenneth E. Smith, Municipal Bond Consultant, 150
N. Parkwood, Wichita, KS. 67208 (316) 683-6338.

DATED this 12th day of November, 1986.

CITY HOLCOMB, KANSAS
By CAROLYN MATHESON, City Clerk
City Hall
Holcomb, Kansas 67851
(316/277-2265)

3-5

28/11/2
H. Patrick

0046 elimination of an elective office by consolidation under the
0047 provisions of this act shall be subject to the approval of a majority
0048 of the electors of the political or taxing subdivision served by
0049 such office, voting at an election called and held for such pur-
0050 pose, in the manner provided by the general bond law in the next
0051 regular general election of the county. Any such proposed con-
0052 solidation which eliminates any such elective office shall pro-
0053 vide that the elimination of such office shall become effective
0054 upon the date of normal expiration of the term of such office.
0055 Any such proposed consolidation which eliminates any such
0056 elective office shall not be voted on by the governing body of the
0057 political or taxing subdivision until three special public hear-
0058 ings are held within the political or taxing subdivision at inter-
0059 vals not less than seven days apart. Written notice of such
0060 hearings shall be provided by the governing body of the political
0061 or taxing subdivision, at least seven days prior to the first
0062 hearing, to any officer or agency of the political or taxing
0063 subdivision being eliminated under such consolidation and to
0064 any state officer or agency having constitutional or statutory
0065 powers of control over functions or services performed by such
0066 political or taxing subdivision officer or agency. Officers or
0067 agencies provided notice under the preceding provision shall be
0068 given an opportunity to appear and offer testimony at any of
0069 such hearings.

0070 Sec. 2. K.S.A. 12-3903 is hereby repealed.
0071 Sec. 3. This act shall take effect and be in force from and
0072 after its publication in the statute book.

which commences immediately following such general election

Notice of ^{all} such special hearings shall be published in a newspaper of general circulation in the political or taxing subdivision once each week for two consecutive weeks prior to the first hearing. The first publication shall be not less than 21 days prior to such hearing. Any elected officer whose office would be eliminated in such consolidation and any other interested party

12-3904. ~~Some petitions by~~
~~election.~~ Whenever a petition, signed by not
less than ten percent (10%) of the qualified
electors of any political or taxing subdivi-
sion of this state or any two or more political
or taxing subdivisions of this state, shall be
filed with the governing body of such sub-
division or subdivisions requesting that a
proposition for the consolidation of speci-
fied operations, procedures and functions of
designated offices or agencies of such sub-
division or subdivisions be submitted to the
electors thereof, such governing body or
governing bodies shall submit such propo-
sition at an election called and held for such
purpose in the manner provided by the gen-
eral bond law. [

10%

If such proposition eliminates an
elective office by consolidation,
the governing body of such sub-
division or subdivisions shall
provide for the hearings and
submit such proposition at the
next regular general election of
the county in accordance with
K.S.A. 12-3903, and amendments
thereto.