

WEDNESDAY, APRIL 18, 2007, 7:00 P.M.
MISSION CITY HALL
REGULAR MEETING AGENDA

If you require any accommodations (i.e. qualified interpreter, large print, reader, hearing assistance) in order to attend this meeting, please notify the Administrative Office at 913-676-8350 no later than 24 hours prior to the beginning of the meeting.

CALL TO ORDER - PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC HEARING

TEFRA Public Hearing (IRBs Legacy Technologies)

1. SPECIAL PRESENTATIONS

- Introduction of Danielle Murray, City Planner
- Park for All Presentation
- Public Presentation to City of HBA Trailblazer Award
- Presentation of GFOA CAFR Award
- Presentation of 5 Year Tree City Award
- Fair Housing Month Proclamation

2. ISSUANCE OF TEMPORARY NOTES AND BONDS

- 2a. Resolution of Intent to Issue IRBs – Legacy Technologies (p. 4)
- 2b. Ordinance Authorizing Issuance of \$750,000 Taxable GO Bonds, Series 2007-A (p. 11)
- 2c. Resolution Prescribing Form and Authorizing and Directing the Sale of Taxable GO Bonds, Series 2007-A (p. 12)
- 2d. Resolution Prescribing Form and Authority to Issue \$3,250,000 in GO Temporary Notes, Series 2007-1 (p. 57)

3. CONSENT AGENDA

*NOTE: Information on consent agenda items has been provided to the Governing Body. These items are determined to be routine enough to be acted on in a single motion; however, this does not preclude discussion. **If a councilmember requests, an item may be removed from the consent agenda for further consideration and separate motion.***

CONSENT AGENDA – General

- 3a. Approval of the Minutes of the City Council Meeting, March 21, 2007 (p. 95)
Special City Council Meeting, April 6, 2007 (p. 106), and Special City Council Meeting,
April 11, 2007 (p. 107)

CONSENT AGENDA - Finance & Administration Committee

- 3b. Council Policy 115 – Related to Purchase of Professional Services (p. 109)
- 3c. First Tier Development – Mission Village Development – Street Right of Way Vacation (111)
- 3d. Continuing Disclosure / Arbitrage 2007-A and 2007-1 (p. 119)
- 3e. Resolution Designating City-Sponsored Festival Events (p. 131)
- 3f. Sale of City-owned Mowers (p. 133)

CONSENT AGENDA – Community Development Committee

No items

COMMUNITY COMMITTEE REPORTS

We have included the last approved minutes for each Community Committee in your packets. If you have questions about these committees, you may bring them up under **New Business**.

Mission Business Development Committee
Mission Arts Council
Mission Tree Board (p. 134)

4. PUBLIC COMMENTS

5. ACTION ITEMS

Planning Commission (Minutes p. 137)

- 5a. HRG Associates, 5665 Foxridge, Special Use Permit Application 07-07 (p. 141)
- 5b. Adoption of Comprehensive Plan (p. 148)

Miscellaneous

6. COMMITTEE REPORTS

Finance & Administration – Dave Shepard (Minutes p. 150)

- 6a. Approval of Revised TIF Policy (p. 157)

Community Development – Suzie Gibbs (Minutes p. 176)

- 6b. Amendment to Cretex Contract (p. 181)
- 6c. TranSystems Construction Management Services – Rock Creek – Change Order No. 2 (185)
- 6d. Interior Rental Inspections Services Contract (p. 188)

7. UNFINISHED BUSINESS

8. NEW BUSINESS

- 8a. Revised Interlocal with Johnson County Wastewater – The Gateway Project (196)
- 8b. Ordinance Approving Personnel Manual (200)
- 8c. First Tier Development Real Estate Contract Amendment (202)
- 8d. Election of Council President and Vice President

9. MAYOR'S REPORT

Appointments to Boards and Commissions

10. CITY ADMINISTRATOR'S REPORT

EXECUTIVE SESSION

ADJOURNMENT

<p>CITY OF MISSION ACTION ITEM SUMMARY FINANCE & ADMINISTRATION</p>	<p>Item Number: 2a. Date: April 13, 2007 From: Mike Scanlon, City Administrator</p>
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SUBJECT: Resolution of Intent to issue Industrial Revenue Bonds

RECOMMENDATION:

Approve the Resolution establishing the intent and authority of the City to issue Industrial Revenue bonds (IRB's) in an aggregate amount not to exceed \$3,000,000 dollars to finance the costs of acquiring, constructing and equipping a manufacturing facility in the City of Mission.

DETAILS:

A formal request for issuance of the IRB's has been received from Legacy Technologies and evaluated by Springsted. The Resolution establishes the intent and authority of the City to proceed with the transaction.

The IRB's and the associated interest shall be special, limited obligations of the City payable solely out of the amounts derived by the City under a Lease Agreement. The bonds are not a general obligation of the City, and are not backed by the full faith and credit of the City. The bonds are not payable in any manner by taxation, but shall be payable solely from the funds provided for in the Indenture.

The issuance of the bonds shall not directly, indirectly or contingently, obligate the City, the State or any other political subdivision thereof to levy any form of taxation or to make any appropriation for their payment. The City is in no way responsible for the repayment of these bonds.

Amount Requested: \$3,000,000.00
Line Item Code & Description: n/a
Available Budget: n/a

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF MISSION, KANSAS
HELD ON APRIL 18, 2007**

The governing body met in regular session at the usual meeting place in the City, at 7:00 p.m., the following members being present and participating, to-wit:

Absent:

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

* * * * *

(Other Proceedings)

Among other business, in accordance with notice published on April 4, 2007, in *The Legal Record*, a public hearing was held by the governing body relating to the proposed issuance not exceeding \$3,000,000 principal amount of Industrial Revenue Bonds for the benefit of Legacy Technologies, Inc. (the "Bonds"). All interested persons were afforded an opportunity to present their views on the issuance of the Bonds, the location and nature of the Project to be financed with the proceeds of the Bonds. Thereupon, the public hearing was closed.

Councilmember _____ presented and moved the adoption of a Resolution entitled:

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF MISSION,
KANSAS DETERMINING THE ADVISABILITY OF ISSUING THE CITY'S
INDUSTRIAL REVENUE BONDS TO PAY THE COSTS OF ACQUIRING,
CONSTRUCTING AND EQUIPPING A MANUFACTURING FACILITY TO BE
LOCATED IN THE CITY.**

Councilmember _____ seconded the motion to adopt the Resolution. Thereupon, the Resolution was read and considered, and, the question being put to a roll call vote, the vote thereon was as follows:

Aye: _____.

Nay: _____.

The Mayor declared the Resolution duly adopted; the City Clerk designating the same Resolution No. ____.

* * * * *

(Other Proceedings)

CERTIFICATE

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

[SEAL]

City Clerk

RESOLUTION NO. ____

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF MISSION, KANSAS DETERMINING THE ADVISABILITY OF ISSUING THE CITY'S INDUSTRIAL REVENUE BONDS TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING AND EQUIPPING A MANUFACTURING FACILITY TO BE LOCATED IN THE CITY.

WHEREAS, the City of Mission, Kansas (the "City") desires to promote, stimulate and develop the general economic welfare and prosperity of the City, and thereby to further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas; and

WHEREAS, pursuant to the provisions of the Kansas Economic Development Revenue Bond Act, as amended and codified in K.S.A. 12-1740 *et seq.* (the "Act"), the City is authorized to issue revenue bonds for such purposes, and the City's governing body has found and determined it to be advisable, and in the City's interest and for its welfare and that of its inhabitants, that the City's industrial revenue bonds in an aggregate principal amount not exceeding \$3,000,000 be authorized and issued to provide funds to pay the costs of acquiring, constructing and equipping a manufacturing facility (the "Project") to be located within the City's corporate limits for lease by the City to Legacy Technologies, Inc., a corporation, or assigns (the "Tenant").

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

Section 1. Public Purpose. The City's governing body hereby finds and determines that acquiring, constructing and equipping the Project will promote, stimulate and develop the City's general economic welfare and prosperity, and thereby further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas.

Section 2. Authorization to Acquire Project; Intent to Issue Bonds. This resolution authorizes the City to acquire, construct and equip the Project and to issue its industrial revenue bonds, in one or more series, in an aggregate principal amount not exceeding \$3,000,000 (the "Bonds") to pay the acquisition, construction and installation costs, subject to satisfaction of the conditions of issuance set forth in this resolution.

Section 3. Conditions to Issuance of Bonds. The issuance of the Bonds is subject to: (i) the passage, signature and publication of an ordinance authorizing the issuance of the Bonds; (ii) the successful negotiation of a Trust Indenture, Guaranty Agreement, Lease, Bond Purchase Agreement or other legal documents necessary to accomplish the issuance of the Bonds, the terms of which shall be in compliance with the Act and mutually satisfactory to the City and the Tenant; (iii) the successful negotiation and sale of the Bonds to a purchaser or purchasers yet to be determined (the "Purchaser"), which sale shall be the responsibility of the Tenant and not the City; (iv) the receipt of the approving legal opinion of Gilmore & Bell, P.C. ("Bond Counsel") in form acceptable to the City, the Tenant and the Purchaser; (v) the obtaining of all necessary governmental approvals to the issuance of the Bonds; and (vi) the commitment to and

payment of all the City's expenses, any underwriting fees and expenses and all legal fees and expenses of Bond Counsel and the City Attorney relating to the issuance of the Bonds by the Purchaser or the Tenant.

Section 4. Reimbursement; Limited Liability of City. Bond proceeds may be used to reimburse the Tenant for Project costs made not more than 60 days prior to the date this resolution is adopted, and as provided by §1.150-2 of the U.S. Treasury Regulations. The Bonds and all interest on them must be paid solely from the revenues received by the City from the Project and not from any other fund or source. The City will only be obligated on the Bonds to the extent set out in the Act and this resolution. If no Bonds are issued, the City will have no liability to the Tenant.

Section 5. Further Action. The City Clerk is authorized to deliver an executed copy of this resolution to the Tenant. The Mayor, City Clerk and other officials and employees of the City, including the City Attorney and Bond Counsel, are authorized and directed to take whatever other actions as are appropriate or desirable to accomplish the purposes of this resolution, including the signing on the City's behalf of the informational statement that must be filed with the State Board of Tax Appeals pursuant to the Act before Bond issuance and the signing on the City's behalf of an application to the Kansas Secretary of Commerce for a private activity bond allocation in accordance with the Kansas Private Activity Bond Allocation Act, K.S.A. 74-5058 *et seq.*

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ADOPTED by the governing body on April 18, 2007.

[SEAL]

Laura McConwell, Mayor

Attest:

Martha M. Sumrall, City Clerk

(Published in the *The Legal Record*, April 4, 2007)

**NOTICE OF PUBLIC HEARING
AND OF
ISSUANCE OF INDUSTRIAL REVENUE BONDS**

Public notice is hereby given that the City Council of the City of Mission, Kansas (the "City"), will conduct a public hearing on Wednesday, April 18, 2007 at 7:00 p.m., or as soon thereafter as may be heard, at City Hall, 6090 Woodson in Mission, Kansas, in regard to the proposed issuance by the City of its Industrial Revenue Bonds, Series 2007 (Legacy Technologies Project), in an aggregate principal amount not exceeding \$3,000,000 (the "Bonds"). The Bonds are proposed to be issued by the City under authority of K.S.A. 12-1740 *et seq.*, as amended, to provide funds for acquiring certain real property located at 6750 W. 47th Terrace, in the corporate limits of the City of Mission, Kansas, for constructing a 27,000-square-foot building for use as a manufacturing facility, and acquiring and installing equipment and fixtures in the buildings. The City intends to own such facility and further intends to lease such facility to Legacy Technologies, Inc., a corporation. The governing body of the City will not consider passage of an ordinance authorizing the issuance of such revenue bonds until said public hearing has been concluded.

Notice is further given, in accordance with K.S.A. 12-1744e, that the City intends to issue the Bonds and lease the facility to the Tenant as set out above.

A copy of this Notice, together with a copy of the resolution of intent of the City to be adopted April 18, 2007, indicating the intent of the governing body of the City to issue such Bonds, are on file in the office of the City Clerk, or will be as soon as completed, and available for public inspection during normal business hours.

All persons having an interest in this matter will be given an opportunity to be heard at the time and place above specified.

Dated: April 4, 2007

CITY OF MISSION, KANSAS

Martha M. Sumrall, City Clerk

<p>CITY OF MISSION ACTION ITEM SUMMARY FINANCE & ADMINISTRATION</p>	<p>Item Number: 2b. Date: April 6, 2007 From: Laura Gay, Finance Director</p>
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SUBJECT: Ordinance authorizing the issuance of \$750,000 Taxable General Obligation Bonds, Series 2007-A.

RECOMMENDATION:

Approve the Ordinance authorizing the issuance of Taxable General Obligation Bonds, Series 2007-A.

DETAILS:

On October 11, 1006 the City Council passed Ordinance No. 1215, pursuant to Article 12, Section 5 of the Kansas Constitution authorizing the issuance of general obligation bonds to provide funds for economic development loans in the principal amount of \$499,000 and \$250,000. The loans are to be made in connection with the acquisition and remodeling of certain improvements related to the purchase and relocation of Mission Pet Mart, Inc.

This ordinance specifically authorizes the issuance of \$750,000 in Taxable General Obligation Bonds, Series 2007-A. If the ordinance is approved, the Council will also consider a Resolution which authorizes the City and its advisors to take the steps necessary to issue taxable general obligation bonds in the principal amount of \$750,000 in order to finance the Loans and associated costs of issuance.

The sale of the bonds will be advertised and written bids accepted through 10:00 a.m. on April 18, 2007. Following review and evaluation of the bids, the best bidder will be presented to the Governing Body at the April 18, 2007 meeting for award of sale and issuance and delivery of the Notes.

Amount Requested: \$ N/A
Line Item Code & Description: N/A
Available Budget: N/A

<p>CITY OF MISSION ACTION ITEM SUMMARY FINANCE & ADMINISTRATION</p>	<p>Item Number: 2c. Date: April 6, 2007 From: Laura Gay, Finance Director</p>
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SUBJECT: Resolution prescribing the form and authorizing and directing the sale of Taxable General Obligation Bonds, Series 2007-A

RECOMMENDATION:

Approve the Resolution authorizing and directing the sale of Taxable General Obligation Bonds, Series 2007-A.

DETAILS:

On October 11, 2006 the City Council passed Ordinance No. 1215, pursuant to Article 12, Section 5 of the Kansas Constitution authorizing the issuance of general obligation bonds to provide funds for economic development loans in the principal amount of \$499,000 and \$250,000. The loans are to be made in connection with the acquisition and remodeling of certain improvements related to the purchase and relocation of Mission Pet Mart, Inc.

The City Council will also consider an ordinance on the April 18, 2007 agenda specifically authorizing the Series 2007A bonds. The Resolution authorizes the City and its advisors to take the steps necessary to issue taxable general obligation bonds in the principal amount of \$750,000 in order to finance the Loans and associated costs of issuance.

The sale of the bonds will be advertised and written bids accepted through 10:00 a.m. on April 18, 2007. Following review and evaluation of the bids, the best bidder will be presented to the Governing Body at the April 18, 2007 meeting for award of sale and issuance and delivery of the Bonds.

Amount Requested: N/A
Line Item Code & Description: N/A
Available Budget: N/A

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF MISSION, KANSAS
HELD ON APRIL 18, 2007**

The governing body met in regular session at the usual meeting place in the City, at 7:00 p.m., the following members being present and participating, to-wit:

Absent:

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

* * * * *

(Other Proceedings)

The Clerk reported that pursuant to the Notice of Bond Sale heretofore duly given, bids for the purchase of Taxable General Obligation Bonds, Series 2007A, of the City had been received. A tabulation of said bids is set forth as *EXHIBIT A* hereto.

Thereupon, the governing body reviewed and considered the bids and it was found and determined that the bid of _____, was the best bid for the Bonds, a copy of which is attached hereto as *EXHIBIT B*.

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

Yea: _____.

Nay: _____.

Thereupon, there was presented an Ordinance entitled:

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$750,000* PRINCIPAL AMOUNT OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2007A, OF THE CITY OF MISSION, 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.

Thereupon, Councilmember _____ moved that said Ordinance be passed. The motion was seconded by Councilmember _____. Said Ordinance was duly read and considered, and upon being put, the motion for the passage of said Ordinance was carried by the vote of the governing body, the vote being as follows:

Yea: _____.

Nay: _____.

Thereupon, the Mayor declared said Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. _____, was signed and approved by the Mayor and attested by the Clerk and was directed to be published one time in the official newspaper of the City.

Thereupon, there was presented a Resolution entitled:

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF \$750,000* PRINCIPAL AMOUNT OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2007A, OF THE CITY OF MISSION, 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.

Thereupon, Councilmember _____ moved that said Resolution be adopted. The motion was seconded by Councilmember _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: _____.

Nay: _____.

Thereupon, the Mayor declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. _____ and was signed by the Mayor and attested by the Clerk.

(Other Proceedings)

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

CERTIFICATE

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

(SEAL)

Clerk

EXHIBIT A

BID TABULATION

**\$750,000* CITY OF MISSION, KANSAS
TAXABLE GENERAL OBLIGATION BONDS**

Dated: May 1, 2007
Series 2007A
Good Faith Deposit: \$15,000

Sale Date: April 18, 2007
10:00 a.m., C.D.T.
Max Interest Rate: ____%

BIDDERS

	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
GOOD FAITH CHECK/SURETY BOND	_____	_____	_____	_____	_____
INTEREST RATES:					
2009	_____%	_____%	_____%	_____%	_____%
2010	_____%	_____%	_____%	_____%	_____%
2011	_____%	_____%	_____%	_____%	_____%
2012	_____%	_____%	_____%	_____%	_____%
2013	_____%	_____%	_____%	_____%	_____%
2014	_____%	_____%	_____%	_____%	_____%
2015	_____%	_____%	_____%	_____%	_____%
2016	_____%	_____%	_____%	_____%	_____%
2017	_____%	_____%	_____%	_____%	_____%
2018	_____%	_____%	_____%	_____%	_____%
TOTAL INTEREST COST:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
PREMIUM:	\$(_____)	\$(_____)	\$(_____)	\$(_____)	\$(_____)
DISCOUNT:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
NET INTEREST COST:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TRUE INTEREST COST:	_____%	_____%	_____%	_____%	_____%

EXHIBIT B
(BID OF PURCHASER)

ORDINANCE NO. _____

OF

THE CITY OF MISSION, KANSAS

PASSED

APRIL 18, 2007

\$750,000*
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2007A

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$750,000* PRINCIPAL AMOUNT OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2007A, OF THE CITY OF MISSION, 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 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 Constitution of the State of Kansas, particularly Article 12, Section 5 thereof, and other provisions of the laws of the State of Kansas applicable thereto, by proceedings duly had, the governing body of the City passed Ordinance No. 1215 (the "Authorizing Ordinance"), which authorized the execution of certain agreements between the City and Clarence A. Owens, Jr., and Joyce M. Owens, d/b/a/ Mission Pet Mart, Inc. (the "Company"), entitled the "Real Estate Contract" and the "Improvement Sale Contract," both dated as of August 30, 2006 (collectively the "Agreements"); and

WHEREAS, the Agreements provide that the City will make two economic development loans, the principal amounts of which are not to exceed \$499,000 and \$250,000 (collectively the "Loans") to the Company to assist with the acquisition and remodeling of certain improvements within the corporate limits of the Issuer; and

WHEREAS, the Authorizing Ordinance also authorized the issuance of general obligation bonds of the City to fund the Loans and associated costs of issuance; and

WHEREAS, the City desires to proceed with the issuance of such general obligation bonds for the purposes aforesaid; and

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

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MISSION, 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, including Article 12, Section 5 thereof, and statutes of the State, including K.S.A. 10-101 to 10-125, inclusive and K.S.A. 10-620 *et seq.*, all as amended and supplemented from time to time.

"Agreements" means collectively (a) the agreement entitled "Real Estate Contract" between the Issuer and the Company, dated as of August 30, 2006; and (b) the agreement entitled "Improvement Sale Contract" between the Issuer and the Company, dated as of August 30, 2006.

"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 of the City prescribing the terms and details of the Bonds and making covenants with respect thereto.

"Bonds" means the City's Taxable General Obligation Bonds, Series 2007A, in the aggregate principal amount of \$750,000*, and dated May 1, 2007, as authorized by this Ordinance.

"City" means the City of Mission, Kansas.

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

"Loans" means collectively (a) the economic development loan between the Issuer and the Company in the amount of \$470,000, as more fully described in the Agreements; and (b) the economic development loan between the Issuer and the Company in the amount of \$250,000, as more fully described in the Agreements.

"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 City.

"Ordinance" means this Ordinance authorizing the issuance of the Bonds.

"State" means the State of Kansas.

Section 2. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the Taxable General Obligation Bonds, Series 2007A, of the City in the principal amount of \$750,000*, for the purpose of providing funds to: (a) fund the Loans; and (b) pay costs of issuance of the Bonds.

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 repayments made pursuant to the Loans, with the balance of the principal and interest on the Bonds payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

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

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

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

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

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

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

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City, approval by the Mayor and publication in the official City newspaper.

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PASSED by the governing body of the City on April 18, 2007 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

Laura McConwell, Mayor

ATTEST:

Martha M. Sumrall, Clerk

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on April 18, 2007; that the record of the final vote on its passage is found on page ____ of journal ____; and that it was published in the *The Legal Record* on April 24, 2007.

DATED: April 24, 2007.

Clerk

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RESOLUTION NO. _____

OF

THE CITY OF MISSION, KANSAS

ADOPTED

APRIL 18, 2007

\$750,000*
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2007A

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RESOLUTION NO. _____

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF \$750,000* PRINCIPAL AMOUNT OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2007A, OF THE CITY OF MISSION, 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 adopted the Ordinance authorizing the issuance of the Bonds; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MISSION, 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, including Article 12, Section 5 thereof, and statutes of the State, including K.S.A. 10-101 to 10-125, inclusive, and K.S.A. 10-620 *et seq.*, all as amended and supplemented from time to time.

"Agreements" means collectively (a) the agreement entitled "Real Estate Contract" between the Issuer and the Company, dated as of August 30, 2006; and (b) the agreement entitled "Improvement Sale Contract" between the Issuer and the Company, dated as of August 30, 2006.

"Authorized Denomination" means \$5,000 or any integral multiples thereof.

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

"Bond and Interest Fund" means the Bond and Interest Fund of the Issuer for its general obligation bonds.

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

"Bond Payment Date" means any date on which principal of or interest on any Bond is payable.

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

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

"Bond Resolution" means this resolution relating to the Bonds.

"Bonds" means the Taxable General Obligation Bonds, Series 2007A, 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 Mission, 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.

"Company" means Clarence A. Owens, Jr., and Joyce M. Owens, d/b/a/ Mission Pet Mart, Inc.

"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 Taxable General Obligation Bonds, Series 2007A created pursuant to **Section 501** hereof.

"Dated Date" means May 1, 2007.

"Debt Service Account" means the Debt Service Account for Taxable General Obligation Bonds, Series 2007A (within the Bond and Interest Fund) created 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) The obligations are rated in the highest rating category by Moody's (presently "Aaa") or Standard & Poor's (presently "AAA").

"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 (other than the covenants relating to continuing disclosure requirements contained herein and in the Disclosure Instructions) 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.

"Fiscal Year" means the twelve-month period ending on December 31.

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

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

"Interest Payment Date(s)" means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2008.

"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.

"Loans" means collectively (a) the economic development loan between the Issuer and the Company in the amount of \$470,000, as more fully described in the Agreements; and (b) the economic development loan between the Issuer and the Company in the amount of \$250,000, as more fully described in the Agreements.

"Loan Disbursement Fund" means the Loan Disbursement Fund for Taxable General Obligation Bonds, Series 2007A created pursuant to *Section 501* hereof

"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
6090 Woodson
Mission, Kansas 66202-3597

(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

(c) To the Purchaser:

[Purchaser]

[City, State]

(d) To the Rating Agency(ies):

Moody's Municipal Rating Desk
99 Church Street
New York, New York 10007

Standard & Poor's, a division of
The McGraw-Hill Companies
55 Water Street, 38th Floor
New York, New York 10004

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

"Notice Representative" means:

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

"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 *Section 701* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

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

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

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

"Permitted Investments" shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks or the federal home loan mortgage corporation; (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 [Purchaser], [City, State], the original purchaser of the Bonds, and any successor and assigns.

"Rating Agency" means any company, agency or entity that provides 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" when used with respect to any Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

"Redemption Price" when used with respect to any Bond to be redeemed means 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.

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

"SEC Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as may be amended from time to time.

"Securities Depository" means, initially, DTC, and its successors and assigns.

"Special Record Date" means the date fixed by the Paying Agent pursuant to *Section 204* hereof for the payment of Defaulted Interest.

"Standard & Poor's" means Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, 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.

[**"Term Bonds"** means the Bonds scheduled to mature in the year 2018.]

[**"___ Term Bonds"** means the Bonds scheduled to mature in the year ____.]

[**"2018 Term Bonds"** means the Bonds scheduled to mature in the year 2018.]

[**"Term Bonds"** means jointly the ___ Term Bonds and the 2018 Term Bonds.]

"Treasurer" means the duly appointed and/or elected Treasurer 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 \$750,000*, for the purpose of providing funds to: (a) fund the Loans; and (b) pay Costs of Issuance.

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, without option of prior redemption and payment, and shall bear interest at the rates per annum as follows:

[SERIAL BONDS]

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>	<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2009	\$60,000	_____ %	2014	\$75,000	_____ %
2010	60,000		2015	80,000	
2011	65,000		2016	85,000	
2012	70,000		2017	90,000	
2013	70,000		2018	95,000	

[TERM BONDS]

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2018	\$ _____	_____ %]

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

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

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Mayor of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

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

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

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

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

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

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

address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

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

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

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

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

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

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

The Issuer and the Bond Registrar shall not be required 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 *Section 204* hereof.

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 appropriate 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. Official Statement. The Official Statement dated April 4, 2007, is hereby ratified and approved. The addendum to the Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor or chief financial officer of the Issuer are hereby authorized to execute the addendum to the Official Statement, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Notes 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 final Official Statement to enable the Purchaser to comply with the requirements of Rule 15c2-12(3) and (4) of the Securities and Exchange Commission and 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. No[Optional] Redemption of Bonds. The Bonds shall not be subject to optional redemption and payment prior to their Stated Maturity.

Section 301. [[Mandatory Redemption by Issuer.

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

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

*Final Maturity

[(b) *2018 Term Bonds.*] The 2018 Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in *Article IV* hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 2018 Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
	2018*

*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.

(a) 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. If the Bonds are refunded more than 90 days in advance of such Redemption Date, any escrow agreement entered into by the Issuer in connection with such refunding shall provide that such written instructions to the Paying Agent shall be given by the escrow agent on behalf of the Issuer not more than 90 days prior to the Redemption Date. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in *Section 303* are met. 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.

(b) 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.

(c) 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 each 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 the a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem such 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 such 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 the a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated

Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

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

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

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

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

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

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

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Instructions. 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 City payable as to both principal and interest in part from repayments made pursuant to the Loans, with the balance of the principal and interest on the Bonds payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

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

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

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

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS

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

- (a) Loan Disbursement Fund for Taxable General Obligation Bonds, Series 2007A;
- (b) Debt Service Account for Taxable General Obligation Bonds, Series 2007A; and
- (c) Costs of Issuance Account for Taxable General Obligation Bonds, Series 2007A.

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 premium, if any, received from the sale of the Bonds shall be deposited in the Debt Service Account.
- (b) The sum of \$[18,250] shall be deposited in the Costs of Issuance Account.
- (c) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Loan Disbursement Fund.

Section 503. Application of Moneys in the Loan Disbursement Fund. Moneys in the Loan Disbursement Fund shall be used for the sole purpose of meeting the Issuer's obligations with respect to the Loans as described in the Agreements. Withdrawals from the Loan Disbursement Fund shall be made only when authorized by the governing body of the Issuer. Each authorization for costs of the Loans shall be supported by a certificate executed by the Issuer's Finance Director (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution and the Agreements.

Section 504. 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 indebtedness for which the Bonds were issued shall be transferred and paid into the Bond and Interest Fund.

Section 505. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in a bank, savings and loan association or savings bank: (a) organized under the laws of the State or the United States with main offices located in the county or counties in which the Issuer is located; or (b) under certain conditions of State law, organized under the laws of the United States or any other State thereof, with main offices located outside of the State, but with a branch located in the county or counties in which the Issuer is located. All such depositaries shall be members of the Federal Deposit Insurance Corporation. 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 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 506. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the 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 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 *Section 302(a)* of this Bond Resolution. 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

MISCELLANEOUS PROVISIONS

Section 801. 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 of the Issuer 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 802. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall:

- (a) Extend the maturity of any payment of principal or interest due upon any Bond;
- (b) Effect a reduction in the amount which the Issuer is required to pay as principal or interest on any Bond;
- (c) Permit preference or priority of any Bond over any other Bond; or
- (d) Reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the governing body of the Issuer 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 conform this Bond Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

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

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

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

Section 803. 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 804. 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 805. 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 806. 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 807. 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 808. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 809. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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ADOPTED by the governing body of the Issuer on April 18, 2007.

(SEAL)

Laura McConwell, Mayor

ATTEST:

Martha M. Sumrall, Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Bond Resolution of the Issuer adopted by the governing body on April 18, 2007 as the same appears of record in my office.

DATED: April 18, 2007.

Martha M. Sumrall, 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 JOHNSON
CITY OF MISSION
TAXABLE GENERAL OBLIGATION BOND
SERIES 2007A

Interest
Rate:

Maturity
Date:

Dated
Date: May 1, 2007

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Mission, in the County of Johnson, 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 and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2008 (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 to the person in whose name this Bond is registered at the maturity date thereof, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the

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

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

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

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

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

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

CITY OF MISSION, KANSAS

(Facsimile Seal)

By: _____ (facsimile)
Mayor

ATTEST:

By: _____ (facsimile)
Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of a series of Taxable General Obligation Bonds, Series 2007A, of the City of Mission, Kansas, described in the within-mentioned Bond Resolution.

Registration Date _____

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

By _____

Registration Number 0676-046-050107-[____]

(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 "Taxable General Obligation Bonds, Series 2007A," aggregating the principal amount of \$750,000* (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 (jointly the "Bond Resolution"). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution, including Article 12, Section 5 thereof, and all other provisions of the laws of the State of Kansas applicable thereto.

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

Redemption Prior to Maturity. The Bonds are **not** subject to[optional] redemption prior to maturity.

[[Mandatory Redemption. [(a)]Each of the Bonds maturing on September 1, _____ shall also be subject to mandatory redemption and payment prior to maturity on September 1, _____, and on any September 1 thereafter, pursuant to the redemption schedule set forth in the Bond Resolution at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.]

[(b)] Each of the Bonds maturing on September 1, 2018 shall also be subject to mandatory redemption and payment prior to maturity on September 1, _____, and on any September 1 thereafter, pursuant to the redemption schedule set forth in the Bond Resolution at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.]

Redemption Denominations. Whenever the Bond Registrar is to select Bonds for the purpose of redemption, it shall, in the case of Bonds in denominations greater than a minimum Authorized Denomination, if less than all of the Bonds then Outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such Bond as though it were a separate Bond in the denomination of a minimum Authorized Denomination.

Notice of Redemption. Notice of redemption, unless waived, shall be given by the Issuer to the Purchaser of the Bonds and to the Bond Registrar in accordance with the Bond Resolution. The Issuer

shall cause the Bond Registrar to notify each Registered Owner at the address maintained on the Bond Register, such notice to be given by mailing an official notice of redemption by first class mail at least 30 days prior to the redemption date. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer defaults in the payment of the redemption price), such Bonds or portions of Bonds shall cease to bear interest.]

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 _____

<p>CITY OF MISSION ACTION ITEM SUMMARY FINANCE & ADMINISTRATION</p>	<p>Item Number: 2d. Date: April 6, 2007 From: Laura Gay, Finance Director</p>
---	---

SUBJECT: Authority to proceed to issue \$3,250,000 in GO Temporary Notes, Series 2007-1

RECOMMENDATION:

Approve the Resolution authorizing and directing the issuance, sale and delivery of \$3,250,000 General Obligation Temporary Notes, Series 2007-1.

DETAILS:

On January 17, 2007 the City Council approved Resolution 654 which authorized the issuance of debt to construct a Public Works Facility. The Resolution authorized estimated costs in the amount of \$3,075,000. Following adoption of the initial resolution, the final construction costs for the facility were negotiated and the current estimated costs are closer to \$3.2 million. The City Council approved Resolution 660 on March 21, 2007 amending and supplementing Resolution 654.

The City Council will consider a Resolution on the April 18, 2007 agenda authorizing the City and its advisors to take the steps necessary to issue general obligation temporary notes in the principal amount of \$3,250,000 in order to finance the construction of a new public works facility and the associated costs of issuance.

The sale of the bonds will be advertised and written bids accepted through 10:00 a.m. on April 18, 2007. Following review and evaluation of the bids, the best bidder will be presented to the Governing Body at the April 18, 2007 meeting for award of sale and issuance and delivery of the Notes.

Amount Requested: n/a
Line Item Code & Description: n/a
Available Budget: n/a

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF MISSION, KANSAS
HELD ON APRIL 18, 2007**

The governing body met in regular session at the usual meeting place in the City, at 7:00 p.m., the following members being present and participating, to-wit:

Absent:

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

* * * * *

(Other Proceedings)

The Clerk reported that pursuant to the Notice of Note Sale heretofore duly given, bids for the purchase of \$3,250,000* principal amount of General Obligation Temporary Notes, Series 2007-1, dated May 1, 2007, of the City had been received. A tabulation of said bids is set forth as *Exhibit A* hereto.

Thereupon, the governing body reviewed and considered the bids and it was found and determined that the bid of _____, was the best bid for the Notes, a copy of which is attached hereto as *Exhibit B*.

Councilmember _____ moved that said bid be accepted and that the Mayor and Clerk be authorized and directed to execute the bid form selling the Notes to the best bidder on the basis of said bid and the terms specified in the Notice of Note Sale. The motion was seconded by Councilmember _____. Said motion was carried by a vote of the governing body with the vote being as follows:

Yea: _____.

Nay: _____.

Thereupon, there was presented a Resolution entitled:

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF \$3,250,000* PRINCIPAL AMOUNT OF GENERAL OBLIGATION TEMPORARY NOTES, SERIES 2007-1, OF THE CITY OF MISSION, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX, IF NECESSARY, FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID NOTES AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

Thereupon, Councilmember _____ moved that said Resolution be adopted. The motion was seconded by Councilmember _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: _____.

Nay: _____.

Thereupon, the Mayor declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. ____ and was signed by the Mayor and attested by the Clerk.

(Other Proceedings)

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

CERTIFICATE

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

(SEAL)

Clerk

**EXHIBIT A
 BID TABULATION**

**\$3,250,000* CITY OF MISSION, KANSAS
 GENERAL OBLIGATION TEMPORARY NOTES**

Dated: May 1, 2007

Sale Date: April 18, 2007

Series 2007-1

10:00 a.m., C.D.T.

Good Faith Deposit: \$65,000

Max Interest Rate: _____%

BIDDERS

	_____	_____	_____	_____
	_____	_____	_____	_____
GOOD FAITH CHECK/SURETY BOND	_____	_____	_____	_____
INTEREST RATES:				
2008	_____%	_____%	_____%	_____%
2009	_____%	_____%	_____%	_____%
2010	_____%	_____%	_____%	_____%
2011	_____%	_____%	_____%	_____%
TOTAL INTEREST COST:	\$ _____	\$ _____	\$ _____	\$ _____
PREMIUM:	\$(_____)	\$(_____)	\$(_____)	\$(_____)
DISCOUNT:	\$ _____	\$ _____	\$ _____	\$ _____
NET INTEREST COST:	\$ _____	\$ _____	\$ _____	\$ _____
TRUE INTEREST COST:	_____%	_____%	_____%	_____%

EXHIBIT B

(BID OF PURCHASER)

RESOLUTION NO. _____

OF

THE CITY OF MISSION, KANSAS

ADOPTED

APRIL 18, 2007

\$3,250,000*
GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2007-1

RESOLUTION

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RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF \$3,250,000* PRINCIPAL AMOUNT OF GENERAL OBLIGATION TEMPORARY NOTES, SERIES 2007-1, OF THE CITY OF MISSION, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX, IF NECESSARY, FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID NOTES AS THEY BECOME DUE; 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 is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, pursuant to K.S.A. 12-1736 *et seq.* and by proceedings duly had, the governing body of the Issuer has authorized the construction of a new Public Works Facility to be made in the City (the "Improvements"), at an estimated cost of \$3,075,000, plus associated costs of financing and interest on the interim financing; and

WHEREAS, the governing body of the Issuer is authorized by law to issue general obligation bonds to pay the costs of the Improvements; and

WHEREAS, the Issuer has not issued any general obligation bonds or temporary notes heretofore authorized; and

WHEREAS, it is necessary for the Issuer to provide cash funds (from time to time) to meet its obligations incurred in constructing the Improvements prior to the completion thereof and the issuance of the Issuer's general obligation bonds, and it is desirable and in the interest of the Issuer that such funds be raised by the issuance of temporary notes of the Issue pursuant to the Act; and

WHEREAS, the governing body of the Issuer has advertised the sale of the Notes and at a meeting held in the City on this date, awarded the sale of such Notes to the lowest bidder; and

WHEREAS, the governing body of the Issuer hereby finds and determines that it is necessary for the Issuer to authorize the issuance and delivery of the Notes in the principal amount of \$3,250,000* to pay the costs of the Improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MISSION, 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 Note 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, specifically including K.S.A. 10-123, K.S.A. 10-620 *et seq.* and K.S.A. 12-1736 *et seq.*, all as amended and supplemented from time to time.

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

"**Beneficial Owner**" of the Notes includes any Owner of the Notes and any other Person who, directly or indirectly has the investment power with respect to any of the Notes.

"**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.

"**Business Day**" means a day other than a Saturday, Sunday or holiday 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.

"**City**" means the City of Mission, 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 proposed or promulgated thereunder of the United States Department of the Treasury.

"**Consulting Engineer**" means an independent engineer or engineering 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 Note Resolution.

"**Costs of Issuance**" means all costs of issuing the Notes, 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, and all expenses incurred in connection with receiving ratings on the Notes.

"**Costs of Issuance Account**" means the Costs of Issuance Account for General Obligation Temporary Notes, Series 2007-1 created pursuant to **Section 501** hereof.

"**Dated Date**" means May 1, 2007.

"Debt Service Account" means the Debt Service Account for General Obligation Temporary Notes, Series 2007-1 (within the Bond and Interest Fund) created pursuant to *Section 501* hereof.

"Debt Service Requirements" means the aggregate principal payments and interest payments on the Notes 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 Note 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) The obligations are rated in the highest rating category by Moody's (presently "Aaa") or Standard & Poor's (presently "AAA").

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

"Disclosure Instructions" means the Continuing Disclosure Instructions dated as of the Issue Date, attached to the Issuer's Closing Certificate relating to certain obligations contained in the SEC Rule.

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

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

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

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

(b) Payment of any installment of interest on any of the Notes 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 Notes or in this Note Resolution (other than the covenants relating to continuing disclosure requirements) 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 Notes 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.

"Fiscal Year" means the twelve-month period ending on December 31.

"Funds and Accounts" means funds and accounts created by or referred to in *Section 501* hereof.

"Improvement Fund" means the Improvement Fund for General Obligation Temporary Notes, Series 2007-1 created pursuant to *Section 501* hereof.

"Improvements" means the improvements referred to in the preamble to this Note Resolution.

"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 Note Resolution.

"Interest Payment Date(s)" means the Stated Maturity of an installment of interest on any Note which shall be March 1 and September 1 of each year, commencing March 1, 2008.

"Issue Date" means the date when the Issuer delivers the Notes to the Purchaser in exchange for the Purchase Price.

"Issuer" means the City and any successors or assigns.

"Maturity" when used with respect to any Note means the date on which the principal of such Note 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.

"Note Payment Date" means any date on which principal of or interest on any Note is payable.

"Note Register" means the books for the registration, transfer and exchange of Notes kept at the office of the Note Registrar.

"Note Registrar" means the State Treasurer and its successors and assigns.

"Note Resolution" means this resolution relating to the Notes.

"Notes" means the General Obligation Temporary Notes, Series 2007-1, authorized and issued by the Issuer pursuant to this Note Resolution.

"Notice Address" means with respect to the following entities:

(a) To the Issuer at:

City Hall
6090 Woodson
Mission, Kansas 66202-3597

(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

(c) To the Purchaser:

[Purchaser]

[City, State]

(d) To the Rating Agency(ies):

Moody's Municipal Rating Desk
99 Church Street
New York, New York 10007

Standard & Poor's, a division of
The McGraw-Hill Companies, Inc.
55 Water Street, 38th Floor
New York, New York 10004

"Notice Representative" means:

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

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

- (a) Notes theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Notes deemed to be paid in accordance with the provisions of *Section 701* hereof; and
- (c) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered hereunder.

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

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

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

"Permitted Investments" shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located, which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks or the federal home loan mortgage corporation; (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 Notes plus accrued interest to the date of delivery[, plus a premium of \$_____][, less an underwriting discount of \$_____].

"Purchaser" means [Purchaser], [City, State], the original purchaser of the Notes, and any successors and assigns.

"Rating Agency" means any company, agency or entity that provides financial ratings for the Notes.

"Rebate Fund" means the Rebate Fund for General Obligation Temporary Notes, Series 2007-1 created pursuant to *Section 501* hereof.

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

"Redemption Date" when used with respect to any Note to be redeemed means the date fixed for the redemption of such Note pursuant to the terms of this Note Resolution.

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

"Replacement Notes" means Notes issued to the Beneficial Owners of the Notes in accordance with *Section 211* hereof.

"SEC Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as may be amended from time to time.

"Securities Depository" means, initially, DTC, and its successors and assigns.

"Special Record Date" means the date fixed by the Paying Agent pursuant to *Section 205* hereof for the payment of Defaulted Interest.

"Standard & Poor's" means Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, 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 Note or any installment of interest thereon means the date specified in such Note and this Note Resolution as the fixed date on which the principal of such Note or such installment of interest is due and payable.

"**Treasurer**" means the duly appointed and/or elected Treasurer 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 NOTES

Section 201. Authorization of the Notes. There shall be issued and hereby are authorized and directed to be issued the General Obligation Temporary Notes, Series 2007-1, of the Issuer in the principal amount of \$3,250,000*, for the purpose of providing funds to: (a) pay the costs of the Improvements; and (b) pay Costs of Issuance.

Section 202. Description of the Notes. The Notes shall consist of fully registered notes in Authorized Denominations, and shall be numbered in such manner as the Note Registrar shall determine. All of the Notes shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturity, without option of prior redemption and payment, and shall bear interest at the rates per annum as follows:

Stated Maturity	Principal	Annual Rate
<u>September 1</u>	<u>Amount</u>	<u>of Interest</u>
2008	\$740,000	_____%
2009	805,000	_____%
2010	835,000	_____%
2011	870,000	_____%

The Notes 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 205** hereof.

Each of the Notes, 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 Note Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Note and Note Registrar with respect to the registration, transfer and exchange of Notes. The Mayor of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Note Registrar and Paying Agent for the Notes.

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

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

The interest payable on each Note on any Interest Payment Date shall be paid to the Owner of such Note as shown on the Note 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 Note 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 Notes, by electronic transfer to such Owner upon written notice given to the Note 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 Note shall cease to be payable to the Owner of such Note on the relevant Record Date and shall be payable to the Owner in whose name such Note 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 Note 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 therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Note entitled to such notice at the address of such Owner as it appears on the Note 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 Notes 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 Note Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Note Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Note Payment Date, and no interest shall accrue for the period after such Note Payment Date.

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

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

Notes 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 Note 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 Notes is exercised, the Note Registrar shall authenticate and deliver Notes in accordance with the provisions of this Note Resolution. The Issuer shall pay the fees and expenses of the Note Registrar for the registration, transfer and exchange of Notes provided for by this Note Resolution and the cost of printing a reasonable supply of registered note blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Note Registrar, are the responsibility of the Owners of the Notes. 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 Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Notes.

The Issuer and the Note Registrar shall not be required to register the transfer or exchange of any Note 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 **Section 205** hereof.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Note is registered on the Note Register as the absolute Owner of such Note, whether such Note 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 Note 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 Note 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 Note Registrar, the Note Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Notes then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Note Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Notes. Each of the Notes, including any Notes issued in exchange or as substitutions for the Notes 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 Notes in the manner herein specified, and to cause the Notes 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 Notes 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. The Notes shall be countersigned by the manual or facsimile signature of the Clerk and the seal of the Issuer shall be affixed or imprinted adjacent thereto following registration of the Notes by the Treasurer of the State of Kansas. In case any officer whose signature appears on any Notes ceases to be such officer before the delivery of such Notes, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Note may be signed by such persons who at the actual time of the execution of such Note are the proper officers to sign such Note although at the date of such Note such persons may not have been such officers.

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

The Notes 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 Note Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Notes that may be issued hereunder at any one time. No Note shall be entitled to any security or benefit under this Note Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Note Registrar. Such executed certificate of authentication upon any Note shall be conclusive evidence that such Note has been duly authenticated and delivered under this Note Resolution. Upon authentication, the Note Registrar shall deliver the Notes to the Purchaser upon instructions of the Issuer or its representative.

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

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

Upon the issuance of any new Note under this Section, the Issuer 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 Note 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 Note Resolution equally and ratably with all other Outstanding Notes.

Section 209. Cancellation and Destruction of Notes Upon Payment. All Notes 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 Notes so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Book-Entry Notes; Securities Depository. The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Notes 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 Notes, except in the event the Note Registrar issues Replacement Notes as provided in this Section. It is anticipated that during the term of the Notes, 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 Notes to the Participants until and unless the Note Registrar authenticates and delivers Replacement Notes 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 Notes being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Notes; or

(b) If the Note Registrar receives written notice from Participants having interests in not less than 50% of the Notes 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 Notes being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Notes, then the Note Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Note Registrar shall register in the name of and authenticate and deliver Replacement Notes 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 Note 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 Note. Upon the issuance of Replacement Notes, 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 Note Registrar, to the extent applicable with respect to such Replacement Notes. If the Securities Depository resigns and the Issuer, the Note Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Note Registrar shall authenticate and cause delivery of Replacement Notes to Owners, as provided herein. The Note Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Notes. The cost of printing, registration, authentication, and delivery of Replacement Notes 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 Note Registrar receives written evidence satisfactory to the Note 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 Note Registrar upon its receipt of a Note or Notes for cancellation shall cause the delivery of Notes to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 211. Nonpresentment of Notes. If any Note is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Note have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Note 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 Note, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Note Resolution or on, or with respect to, said Note. If any Note is not presented for payment within four (4) years following the date when such Note 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 Note, and such Note 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. Official Statement. The Official Statement dated April 4, 2007, is hereby ratified and approved. The addendum to the Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor or chief financial officer of the Issuer are hereby authorized to execute the addendum to the Official Statement, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Notes 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 Notes sufficient copies of the Official Statement and the addendum thereto to enable the Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 213. Sale of the Notes. The sale of the Notes 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 Notes shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Note Resolution), upon payment of the Purchase Price.

ARTICLE III

REDEMPTION OF NOTES

Section 301. No Redemption of Notes. The Notes shall **not** be subject to optional redemption and payment prior to their Stated Maturity.

ARTICLE IV

SECURITY FOR NOTES

Section 401. Security for the Notes. The Notes shall be general obligations of the Issuer payable as to both principal and interest from general obligation bonds of the Issuer 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 Notes as the same become due.

Section 402. Levy and Collection of Annual Tax. The governing body of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Notes as the same become due, if necessary, by levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls 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 deposited in the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Notes as and when the same become due, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Notes 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 NOTE PROCEEDS

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

- (a) Improvement Fund for General Obligation Temporary Notes, Series 2007-1;
- (b) Debt Service Account for General Obligation Temporary Notes, Series 2007-1;
- (c) Rebate Fund for General Obligation Temporary Notes, Series 2007-1; and
- (d) Costs of Issuance Account for General Obligation Temporary Notes, Series 2007-1.

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

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

- (a) All accrued interest and premium, if any, received from the sale of the Notes shall be deposited in the Debt Service Account.
- (b) The sum of \$33,750 shall be deposited in the Costs of Issuance Account.
- (c) The remaining balance of the proceeds derived from the sale of the Notes shall be deposited in the Improvement Fund.

Section 503. Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements; (b) paying interest on the Notes during construction of the Improvements; and (c) transferring any amounts to the Rebate Fund required by *Section 505* hereof.

Withdrawals from the Improvement Fund shall be made only when authorized by the governing body of the Issuer and only on duly authorized and executed warrants therefor accompanied by a certificate executed by the Issuer's Finance Director (or designate) that such payment is being made for a purpose within the scope of this Note 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 Issuer's Finance Director (or designate) stating that such payment is being made for a purpose within the scope of this Note Resolution.

Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

Section 504. 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 Notes as and when the same become due and the usual and customary fees and expenses of the Note 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 Notes and the fees and expenses of the Note Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent, if other than the Issuer, 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 Note Registrar and Paying Agent will become due. If, through the lapse of time or

otherwise, the Owners of Notes are no longer entitled to enforce payment of the Notes 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 Note Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Notes entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the indebtedness for which the Notes were issued shall be transferred and paid into the Bond and Interest Fund.

Section 505. Application of Moneys in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Certificate. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Certificate), for payment to the United States of America, and neither the Issuer nor the Owner of any Notes shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and the Federal Tax Certificate.

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

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

Section 506. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in a bank, savings and loan association or savings bank: (a) organized under the laws of the State or the United States with main offices located in the county or counties in which the Issuer is located; or (b) under certain conditions of State law, organized under the laws of the United States or any other State thereof, with main offices located outside of the State, but with a branch located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation. 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 Note Resolution and the Federal Tax Certificate in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds may be credited to the Debt Service 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 the later of 90 days after the issuance of the Notes, 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 Note Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Notes. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Notes at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Notes 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 Note 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 Notes.

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Notes shall be for the equal benefit, protection, and security of the Owners of any or all of the Notes, all of which Notes shall be of equal rank and without preference or priority of one Note over any other Note in the application of the funds herein pledged to the payment of the principal of and the interest on the Notes, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Note 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 Notes.

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 Note 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 Notes by this Note 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 Notes shall be

restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Notes, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Note Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Notes or scheduled interest payments thereon so paid and discharged. Notes, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Note 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 Notes 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 Notes 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. 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 Notes, 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 Notes, 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 Note Resolution.

ARTICLE VIII

TAX COVENANTS

Section 801. General Covenants.

(a) The Issuer covenants and agrees that (1) it will comply with all applicable provisions of the Code, including Code § 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Notes and (2) it will not use or permit the use of any proceeds of Notes or any other funds of the Issuer, and will not take or permit any other action, or fail to take any action, if any such use, action or failure to take action would adversely affect the exclusion from gross income of the interest on the Notes. 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 Notes will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

(b) The Issuer covenants and agrees that (1) it will use the proceeds of the Notes as soon as practicable and with all reasonable dispatch for the purposes for which the Notes are issued, and (2) it will not invest or directly or indirectly use or permit the use of any proceeds of the Notes or any other funds of

the Issuer in any manner, or take or omit to take any action, that would cause the Notes to be "arbitrage bonds" within the meaning of Code § 148(a).

(c) The Issuer covenants and agrees that it will not use any portion of the proceeds of the Notes, including any investment income earned on such proceeds, directly or indirectly, in a manner (1) that would cause any Note to be a "private activity bond" within the meaning of Code § 141(a), or (2) to make or finance a loan to any Person other than the State or a political subdivision thereof.

Section 802. Rebate Covenants. The Issuer covenants and agrees that it will pay or provide for the payment from time to time all amounts required to be rebated to the United States pursuant to Code § 148(f) and the Federal Tax Certificate. This covenant shall survive payment in full or defeasance of the Notes. The Federal Tax Certificate may be amended or replaced if, in the opinion of Bond Counsel such amendment or replacement will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Notes.

Section 803. Survival of Covenants. The covenants contained in this Article shall remain in full force and effect notwithstanding the defeasance of the Notes pursuant to *Article VII* hereof or any other provision of this Note Resolution until the final maturity date of all Notes Outstanding.

ARTICLE IX

CONTINUING DISCLOSURE REQUIREMENTS

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

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

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1001. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. The audit report shall contain a statement regarding the Issuer's compliance with the arbitrage rebate covenants contained in *Section 802* hereof and the covenants regarding continuing disclosure contained in *Section 901* hereof and the Continuing Disclosure Instructions. 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 Notes, 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 of the Issuer shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Note Resolution, the Issuer shall promptly cure such deficiency.

Section 1002. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Notes or of this Note Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Notes 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 Note;
- (b) Effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Note;
- (c) Permit preference or priority of any Note over any other Note; or
- (d) Reduce the percentage in principal amount of Notes required for the written consent to any modification or alteration of the provisions of this Note Resolution.

Any provision of the Notes or of this Note Resolution may, however, be amended or modified by resolution duly adopted by the governing body of the Issuer at any time in any legal respect with the written consent of the Owners of all of the Notes at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Note 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 conform this Note 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 Notes or of this Note Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the governing body of the Issuer amending or supplementing the provisions of this Note Resolution and shall be deemed to be a part of this Note Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Note 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 Note or a prospective purchaser or owner of any Note authorized by this Note Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Note Resolution will be sent by the Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Clerk a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Notes

then Outstanding. It shall not be necessary to note on any of the Outstanding Notes any reference to such amendment or modification.

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

Section 1003. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Notes, if made in the following manner, shall be sufficient for any of the purposes of this Note 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 Notes, the amount or amounts, numbers and other identification of Notes, and the date of holding the same shall be proved by the Note Register.

In determining whether the Owners of the requisite principal amount of Notes Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Note Resolution, Notes owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Note 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 Notes which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Notes 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 Notes and that the pledgee is not the Issuer.

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

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

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

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

Section 1007. Severability. If any section or other part of this Note 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 Note Resolution.

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

Section 1009. Effective Date. This Note Resolution shall take effect and be in full force from and after its passage by the governing body of the Issuer.

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ADOPTED by the governing body of the Issuer on April 18, 2007.

(SEAL)

Laura McConwell, Mayor

ATTEST:

Martha M. Sumrall, Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Note Resolution adopted by the governing body on April 18, 2007 as the same appears of record in my office.

DATED: April 18, 2007.

Martha M. Sumrall, Clerk

**EXHIBIT A
(FORM OF NOTES)**

**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 JOHNSON
CITY OF MISSION
GENERAL OBLIGATION TEMPORARY NOTE
SERIES 2007-1**

Interest Rate:	Maturity Date:	Dated Date: May 1, 2007	CUSIP:
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REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Mission, in the County of Johnson, 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, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2008 (the "Interest Payment Dates"), until the Principal Amount has been paid.

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

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

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

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

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

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

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

CITY OF MISSION, KANSAS

(Facsimile Seal)

_____ (manual or facsimile)
Mayor

ATTEST:

By _____ (manual or facsimile)
Clerk

This General Obligation Temporary Note shall not be negotiable unless and until countersigned below following registration by the Treasurer of the State of Kansas.

(Facsimile Seal)

_____ (manual or facsimile)

Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Note is one of a series of General Obligation Temporary Notes, Series 2007-1, of the City of Mission, Kansas, described in the within-mentioned Note Resolution.

Registration Date _____

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

By _____

Registration Number 0676-046-050107-[____]

(FORM OF REVERSE SIDE OF NOTE)

ADDITIONAL PROVISIONS

Authorization of Notes. This Note is one of an authorized series of Notes of the Issuer designated "General Obligation Temporary Notes, Series 2007-1," aggregating the principal amount of \$3,250,000* (the "Notes") issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Notes (the "Note Resolution"). The Notes are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 10-123 and K.S.A. 12-1736 *et seq.*, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Notes constitute general obligations of the Issuer payable as to both principal and interest from the proceeds of general obligation bonds of the Issuer 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 pledged for the payment of the principal of and interest on this Note and the issue of which it is a part as the same respectively become due.

Redemption Prior to Maturity. The Notes are **not** subject to redemption prior to maturity.

Book-Entry System. The Notes are being issued by means of a book-entry system with no physical distribution of note certificates to be made except as provided in the Note Resolution. One Note certificate with respect to each date on which the Notes are stated to mature or with respect to each form of Notes, 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 Notes by the Securities Depository's participants, beneficial ownership of the Notes 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 Note Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Note, as the owner of this Note for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Note, (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 Notes by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Note 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 Note, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Note shall be made in accordance with existing arrangements among the Issuer, the Note Registrar and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE NOTE RESOLUTION, THIS GLOBAL NOTE 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 Note may be transferred or exchanged, as provided in the Note Resolution, only on the Note Register kept for that purpose at the principal office of the Note Registrar, upon surrender of this Note together with a written instrument of transfer or authorization for exchange satisfactory to the Note Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Note or Notes 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 Note 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 Notes and the cost of a reasonable supply of note blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered on the Note 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 Notes 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 Notes:

GILMORE & BELL, P.C.

Attorneys at Law

100 N. Main Suite 800

Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

NOTE ASSIGNMENT

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

(Name and Address)

(Social Security or Taxpayer Identification No.)

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

Dated _____.

Name

Social Security or
Taxpayer Identification No.

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

Signature guarantee:

By _____

CERTIFICATE OF CLERK

STATE OF KANSAS)
) SS.
COUNTY OF JOHNSON)

The undersigned, Clerk of the City of Mission, Kansas, does hereby certify that the within Note has been duly registered in my office according to law as of May 1, 2007.

WITNESS my hand and official seal.

(Facsimile Seal)

(facsimile)
Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

LYNN JENKINS, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Note has been filed in the office of the State Treasurer, and that this Note 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

MINUTES OF THE MISSION CITY COUNCIL MEETING, MARCH 21, 2007

The Mission City Council met in regular session at Mission City Hall, 6090 Woodson, Wednesday, March 21, 2007 at 7:00 p.m. with Council President Connie Footlick presiding. The following councilmembers were present: Suzie Gibbs, Sue Grosdidier, Debbie Kring, Phil Perry, Steve Schowengerdt, David Shepard, John Weber. ABSENT: Mayor Laura McConwell

PUBLIC HEARINGS

There were no public hearings.

SPECIAL PRESENTATIONS

Council President Footlick recognized and introduced new Mission residents Jenny and Mike Slattery who were in attendance at the meeting. They were welcomed to Mission.

Special Presentation to Detective Danny Smith

Chief Wilson announced the receipt by the Mission Police Department of the Special Traffic Enforcement Program Award for outstanding performance. This award is presented by the Bureau of Traffic Safety, Kansas Department of Transportation.

Chief Wilson introduced Detective Danny Smith and presented him with the Bronze Medal for Meritorious Service for his efforts in apprehending a sexual predator.

Introduction and Appointment of Christy Humerickhouse, Recreation Director

Moved by Gibbs, seconded by Shepard to uphold the recommendation of the Mayor to appoint Christy Humerickhouse as Recreation Director. Councilmember Schowengerdt stated that believes in promoting people "in house" if possible. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber. **Motion carried.**

Christy Humerickhouse, Recreation Director, was introduced and welcomed to the City of Mission. Ms. Humerickhouse comes to Mission with over 20 years of experience in recreation management and will begin her duties with the City of Mission on April 9, 2007.

CONSENT AGENDA

Moved by Gibbs, seconded by Perry to approve the Consent Agenda as printed, items 2a through 2m. Councilman Schowengerdt requested removal of items 2c, 2d, and 2e.

- 2a. Approval of the Minutes of the City Council Meeting, February 21, 2007

CONSENT AGENDA - Finance & Administration Committee

- 2b. Contract with Cretex for RCBs at The Gateway
2c. Ordinance Amending the Number of Canines and Felines Allowed in Multi-Family Dwellings - **REMOVED**
2d. Review of Legacy Technologies IRB Bond Financing Request - **REMOVED**
2e. Resolution Amending and Supplementing Resolution 654 – Public Works

MINUTES OF THE MISSION CITY COUNCIL MEETING, MARCH 21, 2007

- Facility - **REMOVED**
- 2f. Authorization to Proceed with Issuance of 2007 A General Obligation Taxable Notes – Mission Pet Mart
 - 2g. Northeast Animal Control Commission 2007 Invoice for Services
 - 2h. Approval of Sale of City-owned Trucks
 - 2i. AT&T Service Agreement

CONSENT AGENDA – Community Development Committee

- 2j. Contract with Overland Park for Microsurfacing of 67th Street
- 2k. Annual Contribution to Mission Marlins Swim Team
- 2l. Contract for Nuisance / Weed Abatement Contractor
- 2m. Contract for Paint Vendor

Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber.
Motion carried.

Ordinance No. 1230 was assigned to item 2c.

Resolution No. 661 was assigned to item 2f.

PUBLIC COMMENTS

There were no public comments.

ACTION ITEMS

PLANNING COMMISSION

Lamar Landing – Rezoning / Plan Review

Chris Donnelly, First State Bank, and applicant, appeared before Council to request approval of the proposed rezoning and plan review. Mr. Donnelly provided a brief history of this property. First State Bank took possession of this property over one year ago and is the actual owner of the property. First State Bank has held several public meetings to address the issues of nearby neighbors on issues associated with the proposed rezoning and plan review. This has been before the Planning Commission twice, due to an oversight in placing the necessary public notice signs.

Mr. Scanlon stated that this project is currently zoned R-1 and the applicant is requesting that the property be rezoned to CP-O. The Planning Commission has recommended approval and no petition has been filed opposing this rezoning. Councilman Shepard asked if a tenant had yet been secured for the building. No tenant has been secured. Councilwoman Kring state that based on the topography and where the property is located, she fully supports this rezoning.

Moved by Grosdidier, seconded by Perry to approve an ordinance rezoning property known as Lamar Landing, more specifically identified by Johnson County Parcel IDs #KP18510000 0001

MINUTES OF THE MISSION CITY COUNCIL MEETING, MARCH 21, 2007

and KP18510000 0002 from R-1 to CP-O, and granting approval of the associated preliminary development plan with the following conditions:

1. A site landscaping plan shall be included with the final development plan.
2. Site drainage calculations shall be submitted to City staff prior to approval of a final development plan.
3. Approval of proposed ingress-egress from the Northeast Johnson County Fire Department prior to approval of a final development plan.
4. Landscaping shall be depicted on the interior of the parking lot prior to approval of a final development plan.

Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber.
Motion carried.

Ordinance No. 1230 was assigned.

MISCELLANEOUS

Street Solicitation Application – Shawnee Mission Rotary Club Greater Kansa City Day

Mr. Scanlon stated that Shawnee Mission Rotary Club has requested permission to sell Kansas City STAR newspapers at various intersections in Mission on Monday, April 2, 2007. They have done this since 2001 and the money raised by this event supports the Rotary Youth Camp. The group has completed a street solicitation application and provided proof of insurance.

Moved by Kring, seconded by Grosdidier to approve a Street Solicitation Application for Shawnee Mission Rotary Greater Kansas City Day to be held on April 2, 2007 at the intersections of Shawnee Mission Parkway and Nall, Shawnee Mission Parkway and Lamar, Johnson Drive and Lamar, and Johnson Drive and Broadmoor. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber. **Motion carried.**

COMMITTEE REPORTS

FINANCE AND ADMINISTRATION COMMITTEE

Ordinance Amending the Number of Canines and Felines Allowed in Multi- Family Dwellings

Councilman Shepard reported that our current ordinance allows two dogs and two cats in single family homes, multi-family dwellings may only have one dog and one cat. This proposed ordinance would make the ordinance consistent for both single family and multi-family dwellings.

Moved by Shepard, seconded by Grosdidier to approve an ordinance amending the number of canines and felines allowed in multi-family dwellings; amending Section 201.090 B of the Code of the City of Mission, Kansas. Councilman Schowengerdt stated that he feels the old ordinance is better and should not be changed. Apartments are smaller, do not have yards, and the proximity to neighbors do not make them an ideal location for two dogs and two cats.

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Councilman Shepard stated that the committee did discuss this issue at length and it was noted that some of the newer townhomes and apartments are larger than some single family homes in Mission. Councilman Weber also noted that apartments have the legal ability to manage their own properties and can prohibit any animals in their properties.

Nancy Coates, Mission resident, appeared before Council to request that the ordinance be further reviewed and revised to exclude the word "tenement." She also requested that Council consider adding provisions to allow for rescue animals and the "fostering" of animals. She does not feel it is the number of animals that should be regulated, but rather the irresponsible owners. Ms. Coates also requested clarification on the having litters of animals and how long they are allowed.

Mr. Scanlon stated that this revision of the animal ordinance basically addresses the fairness issue regarding the number of animals allowed, and ensures that all dwellings would be treated the same. He stated that the general nuisance ordinance can regulate animals also. He stated that staff will continue to look at the animal ordinance, but that it would be very difficult to address every foster dog owner / rescue group in the community and that this might best be handled under the general nuisance provision. He also stated that what is currently in the Code would be sufficient for enforcement. Councilwoman Kring stated that she feels this issue will not go away and needs to be looked into. She appreciates Ms. Coates' passion for animals.

The question was called. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Shepard, Weber. NAY: Schowengerdt. **Motion carried.**

Ordinance No. 1231 was assigned.

Review of Legacy Technologies IRB Bond Financing Request

Councilman Shepard reported that this simply authorizes Springsted to complete a review of the application and financial statements, and to follow the proposed timeline for this request.

Moved by Shepard, seconded by Grosdidier to approve the calendar, authorizing Springsted to complete a review of the IRB application and financial statements for Legacy Technologies and authorize a resolution of intent to issue industrial revenue bonds (IRBs) for the project. Councilman Schowengerdt requested information on what benefit this would provide to Mission. Mr. Scanlon stated that Legacy will have to make the payments on the IRBs and that they are able to use our tax-exempt status to get a preferable rate. IRBs benefit manufacturers. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Shepard, Weber. NAY: Schowengerdt. **Motion carried.**

Resolution Amending and Supplementing Resolution 654 – Public Works Facility

Councilman Shepard reported that on January 17, 2007 Council approved Resolution 654, which authorized the issuance of debt to construct a Public Works Facility. The resolution authorized estimated costs in the amount of \$3,075,000. The resolution was authorized prior to the receipt and negotiation of construction bids for the facility. The current estimated costs are closer to \$3.2 million and the resolution needs to be amended to reflect the current project cost estimates. This proposed resolution increases the project authorization to \$3,250,000.

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Moved by Shepard, seconded by Weber to approve a resolution allowing the City of Mission to issue General Obligation Temporary Notes for the Public Works Facility in an amount not to exceed \$3,250,000, Series 2007-1. Councilmember Schowengerdt questioned why the total has increased and whether the previously approved total included wastewater improvements. Mr. Scanlon reported that the real costs on this project have been the site work due to the bedrock under the facility. Discussion continued on the placement of the building on the site, site work difficulties due to the bedrock, the cost to have Belger Construction tunnel the bedrock to put in sanitary and stormwater lines, and the surveying and bidding process for this project. Councilman Schowengerdt stated he feels the City should solicit multiple bids for all projects. Mr. Scanlon stated that all the sub-components are bid out on this project, and the architect that was not bid out represents less than 2.5 % of the total budget for this project. The question was called. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Shepard, Weber. NAY: Schowengerdt. **Motion carried.**

Resolution No. 660 was assigned.

Engineering Contracts – Gateway Improvements – Black & Veatch, Olsson, TranSystems

Councilmember Shepard reported that per the Development Agreement the City agreed to pay for the reconstruction of the sanitary and stormwater systems at the former Mission Mall site. The current development agreement anticipates the City paying a total of \$12,352,760 for these improvements. We currently estimate the total cost of these improvements to be \$11,269,740.

Moved by Shepard, seconded by Grosdidier to approve contracts with the following companies in the following up to amounts with the total not to exceed \$867,192.

Black & Veatch - \$463,902
TranSystems - \$308,900
Olsson Engineering - \$94,390

Councilmember Schowengerdt requested an update on the estimated budget for this project. Mr. Scanlon stated that this portion of the Rock Creek project is paid by the sales tax generated by the development, and that we are well below what was estimated for this phase.

The question was called. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber. **Motion carried.**

Issuance of 2007-1 General Obligation Temporary Notes – Public Works Facility

Councilmember Shepard noted that this item ties to item 2e. (Resolution Amending and Supplementing Resolution 654 – Public Works Facility) and that the proposed resolution sets the sale of these bonds.

Moved by Shepard, seconded by Grosdidier to approve the “set sale” resolution for the issuance of \$3,250,000 in General Obligation Temporary Notes, Series 2007-1 for construction of the new Public Works facility. Councilmember Shepard recognized Councilmembers Perry and Weber for all of their hard work to make sure that the City builds a good facility at a great

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price. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Shepard, Weber. NAY: Schowengerdt. **Motion carried.**

Resolution No. 662 was assigned.

COMMUNITY DEVELOPMENT COMMITTEE

Black & Veatch Contract for Stormwater Design Services at The Gateway Project – Amendment No. 2

Councilmember Gibbs reported that per the Development Agreement with the Cameron Group, the City agrees to pay for the reconstruction of the sanitary and stormwater systems at the former Mission Mall site. Part of that cost is engineering. The attached contract represents the final design for the stormwater system. As the developer went through various iterations of the site and asked us to do more engineering than was originally contemplated in the Development Agreement we have sought reimbursement.

Moved by Gibbs, seconded by Shepard to approve Black & Veatch Amendment No. 2 for stormwater design services at The Gateway in an amount not to exceed \$40,780. Councilmember Weber requested clarification on who would actually be paying this fee. Mr. Scanlon stated, that once approved, the Cameron Group would be billed for these design services and those included in Black & Veatch Amendment No. 3. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber. **Motion carried.**

Black & Veatch Amendment No. 3 – The Gateway Project

Councilmember Gibbs reported that per the Development Agreement with the Cameron Group, the City agrees to pay for the reconstruction of the sanitary and stormwater systems at the former Mission Mall site. Part of that cost is Engineering. The attached contract represents additional design work. As the developer went through various iterations of the site, and asked us to do more engineering than was originally contemplated in the Development Agreement, we have sought reimbursement.

Moved by Gibbs, seconded by Kring to approve Black & Veatch Amendment No. 3 for stormwater design services at The Gateway in an amount not to exceed \$7,883. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber. **Motion carried.**

Agreement with Johnson County for Sewer Line Improvements at The Gateway Project

Councilwoman Gibbs reported that the City Council has approved a contract with Max Rieke & Brothers, Inc. for the reconstruction of Rock Creek in the vicinity of the Gateway Project. A portion of that bid included additional sewer construction that Johnson County Wastewater (JCW) has agreed to reimburse. The Contract was for \$9,398,073.40. Of that amount, JCW has agreed to reimburse the City \$785,000. Further, the County agrees to pay for any additional construction or engineering costs incurred by the City at the County's request. We are still working to see if we can get more favorable reimbursement deadlines.

MINUTES OF THE MISSION CITY COUNCIL MEETING, MARCH 21, 2007

Moved by Gibbs, seconded by Kring to approve an agreement between the Board of County Commissioners of Johnson County, Kansas and the City of Mission, Kansas for the construction of sewer line improvements. Discussion continued on the size of the lines that are currently in place and the size of the new lines, as well as Johnson County's role in this process. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber. **Motion carried.**

Extension of Predevelopment Agreement with Land As Art

Councilwoman Gibbs reported that the City Council approved a Preliminary Development Agreement with Yoga Gallery, LLC and Land as Art, LLC, in order to grant rights for development of a city-owned parcel located at the southwest corner of Johnson Drive and Nall Avenue. This agreement was approved by the City Council and effective on January 31, 2006, was extended on September 21, 2006 and is due to expire on March 31, 2007. As the City continues stormwater improvements to Rock Creek and the Nall bridge reconstruction, the applicant has not yet had the opportunity to submit a formal application for development review. The Developers were delayed in the submission of a formal application for this site due to the City's evaluation of a potential alignment for the Rock Creek channel in this area, which could have potentially impacted this property. On February 21, 2007, the City Council determined not to pursue this alternative creek alignment. Therefore, in order to allow sufficient time for Development Plan Review, and for the preparation of a Final Development Agreement, it is recommended to extend the validity of the Predevelopment Agreement by a period of three months.

Moved by Gibbs, seconded by Kring to approve the extension of the Preliminary Development Agreement with the Yoga Gallery and Land As Art, for a period of three additional months, for development of a City-owned parcel of land in the southwest corner of Johnson Drive and Nall Avenue. Councilman Perry stated that he is not in favor of this, but that he will vote to give them another 90 days. He feels they have had ample time to develop a plan for this site. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber. **Motion carried.**

Process to Solicit RFPs from Firms to Consider Redevelopment of SPJCC Parking Lot Site and Surrounding Properties

Councilwoman Gibbs reported that on February 21, 2007, the City Council passed Resolution No. 658 which indicated that the City of Mission will carefully consider the reuse and redevelopment of City-owned parking lots. This resolution indicated that any reuse or sale of city-owned parking lots will be done in accordance with future land use plans and the City's Comprehensive Plan, and that this would have to yield a benefit that is community-wide. That benefit will be determined by the City Council after a special public hearing on the intended reuse. RED Brokerage, Master Developer for the Rock Creek Area, will manage the Request for Proposals (RFP) process from developers interested in development in the Sylvester Powell Junior Community Center (SPJCC) area. RED will then assist in the selection of a developer and negotiations towards a development agreement/sale or lease of property. RED proposes to manage this process for a Fee of \$30,000 (over three phases), and a 3% commission on the sale price or appraisal of the property (whichever is higher). In addition, RED agrees to charge the

MINUTES OF THE MISSION CITY COUNCIL MEETING, MARCH 21, 2007

City 50% of the currently agreed-upon development fee rates for the Rock Creek Redevelopment Area.

Moved by Gibbs, seconded by Perry to approve RED Brokerage's proposal for the SPJCC RFP for development of a portion of the Community Center Parking Lot in an amount not to exceed \$30,000 over three phases, a 3% commission on the sale price or appraisal of the property, whichever is higher, and a development fee rate of 50% of the currently agreed upon development fee rate for the Rock Creek Redevelopment Area. Councilman Schowengerdt stated that he can not support this. He does not think we are ready for development at this site and the City has already been approached by two developers who are interested in developing the site. Discussion continued on the how this fee was developed and its favorable benefit to the City, the need to get the right development for this site, the requirement to replace parking at a 1:1 ratio, the RFP process and associated costs, and the timeline for Olsson's preliminary and final utility survey report. Councilmember Weber expressed his strong disagreement with any proposed development at the Community Center parking lot site; he would prefer to see development at Mohawk Park. The question was called. Voting AYE: Footlick, Gibbs, Kring, Perry, Shepard. NAY: Grosdidier, Schowengerdt, Weber. **Motion carried.**

Budget for Site Work and Out-Buildings Construction at New Public

Councilwoman Gibbs reported that the City Council approved the reconstruction of a Public Works facility at the site of our original Public Works buildings. This proposed budget includes all of the necessary site-work, including storm water structures and the budgeted construction of both a Salt and Sand Dome and Greenhouse, at the new facility.

Moved by Gibbs, seconded by Perry to approve a budget of \$1,299,733 for the site work and out-buildings construction at the new Public Works Facility. Further, that the City Administrator be given expenditure authority for the following expenses and not to exceed amounts:

Site Preparation & Drainage	\$839,073
Salt and Sand Domes	\$235,660
Greenhouse	\$55,000

Councilman Schowengerdt stated that he feels the price for the Salt and Sand Domes seems excessive and requested clarification on the construction of these domes. He is concerned that taxes will need to be raised and requested that the City solicit at least three bids on all projects. Mr. Scanlon stated that the Salt and Sand Domes have been removed from the bid tab that the contractor and engineer were using because we know that we can get this for less if bought on our own. The question was called. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Shepard, Weber. NAY: Schowengerdt. **Motion carried.**

UNFINISHED BUSINESS

Councilmember Weber requested information on the status of the City's ordinance regarding the carrying of concealed weapons on City property. Mr. Scanlon stated that if the Governor signs the current bill being put through at the State level, it would then make the City's ordinance null and void. He gave the example of Sunday liquor sales.

MINUTES OF THE MISSION CITY COUNCIL MEETING, MARCH 21, 2007

Councilmember Kring questioned the status of First Responder funds. Chief Wilson provided an update and noted that funds are usually for equipment that is regionally useful.

NEW BUSINESS

Councilmember Gibbs reported that the annual BBQ is now a State sanctioned event, provided an update on the Spirit of Mission Day, and encouraged everyone to attend Casey Brothers Sinclair 48 Year Anniversary in Mission event.

Councilmember Kring reported that she, the Mayor, and Councilmember Grosdidier attended the National League of Cities Congressional Cities conference where they attended various forums and met with congressional leaders. She also noted that Councilmember Grosdidier serves on the NLC FAIR Committee, Mayor McConwell serves on the NLC First Tier Suburbs Committee, she currently serves on the NLC Energy, Environment and Natural Resources Committee and the City Futures Panel for Regional and Community Development.

MAYOR'S REPORT

Council President reminded Council of the following:

- State of the County Event
- Public Works Facility Groundbreaking on March 30
- Housing Choices Forum Breakfast Meeting where the City will receive a Trailblazers Award
- Mr. Scanlon has been selected as one of 20 City Administrators from the US selected to attend the ICMA Senior Executive Institute
- The City has two staff members who serve as presidents of their professional associations – Leslee Fonseca is the President of the Kansas Association of Code Enforcement and Chief Wilson is President of the Johnson County Police Chief and Sheriff Association
- The March 07 issue of *American City and County*, “Clean and Green” is an article that acknowledges the City of Mission for changing its stormwater management practices

Appointments to Board and Commissions

There were no appointments.

CITY ADMINISTRATOR'S REPORT

Tom Swenson, TranSystems, provided an update on street closings in Mission.

- Roe closed on March 12th - traffic observed for several days and a few barricades added.
- Personally visited with business on 60th street regarding concerns.
- Followed-up with all emergency service providers in the area – traffic moving well.

MINUTES OF THE MISSION CITY COUNCIL MEETING, MARCH 21, 2007

Mr. Scanlon provided an update on Gateway Storm Drainage.

- Began excavation for drainage on the Gateway site. The contractor will then punch holes in the old boxes for drainage.
- Water District is about to begin relocating some of their lines.
- Tonight Council approved all of the construction engineering contracts including materials inspection, and Cretex contract.
- Roe will remain closed until after Memorial Day
- Revision of Cretex contract to include the cost of stronger boxes will be presented to the CDC
- The first box will be set at 10:00 a.m. tomorrow
- Finishing placing a sanitary sewer diversion line
- Next week there will be upgrades to the Force Main located at Roe & Shawnee Mission Parkway
- By mid-April the stormwater boxes should be halfway across Roe

Mr. Weeks provided an update on the Public Works Facility

- Planning Commission approved plans for the Public Works site
- Buildings have been demolished and site is being cleared
- Building has been redesigned to meet budget limits
- All Public Works operations have been moved to 5908 Outlook
- Site grading and drainage plans are 95% complete
- City Council approved site development budget with expenditure authority for three items (site grading and stormwater, salt and sand domes, and greenhouse)
- Next month will start construction of storm sewer and relocation of sanitary sewer
- Next month will begin site grading for placement of salt and sand domes
- Next month will order domes for May construction
- Next month final design of the building and the final building budget will be submitted to the CDC

Mr. Scanlon provided an overview of Gateway project financing and Public Works Facility financing to date.

Mr. Scanlon provided an update on the Olsson Infrastructure Study.

- Next week they will be running a change in use / density assumptions model which Mr. Rivarola will approve
- Next week attending the design charette's scheduled for Wednesday, Thursday, and Friday
- In April and May they will be analyzing the various utilities capital plans, determine where there are gaps and what is necessary to fill those gaps, and estimate how much the improvements will cost
- In June they will producing a preliminary report
- This schedule will allow us to receive a final report by the July 17th City Council Meeting.

MINUTES OF THE MISSION CITY COUNCIL MEETING, MARCH 21, 2007

Mr. Weeks thanked Councilmembers Weber and Perry for their hard work on the Public Works Facility.

Councilwomen Gibbs's and Footlick's birthdays were recognized.

ADJOURNMENT

Moved by Footlick, seconded by Gibbs to adjourn the meeting at 8:30 p.m. All present voted AYE. **Motion carried.**

Respectfully submitted by Martha M. Sumrall, City Clerk.

Laura L. McConwell, Mayor

Martha M. Sumrall, City Clerk
mms

MINUTES OF THE MISSION CITY COUNCIL SPECIAL MEETING, APRIL 6, 2007

The Mission City Council met in special session at Mission City Hall, 6090 Woodson, on April 6 2007 at 4:30 p.m. with Mayor Laura McConwell presiding. The following councilmembers were present: Footlick, Grosdidier, Kring, Perry, and Weber. Absent: Gibbs, Schowengerdt, Shepard.

TEMPORARY MORATORIUM ORDINANCE – PAYDAY LOAN ESTABLISHMENTS

Councilman Shepard reported that this item was discussed by the Community Development Committee and they recommended approval of the proposed 90-day moratorium.

Moved by Perry, seconded by Grosdidier to approve an ordinance establishing a temporary moratorium on all permits for “Payday Loan” and “Title Loan” establishments for a period of 90-days.

Moved by Weber, seconded by Kring to amend the previous motion to lengthen the moratorium period to one year. City Land Use Attorney Pete Heaven stated that if Council feels they need this additional length of time to thoroughly study this issue, the one year moratorium would be acceptable. The question was called on the amendment. Voting AYE: Footlick, Grosdidier, Kring, Perry, Weber. **Motion carried.**

The question was called on the original motion which was amended to a one year moratorium. Voting AYE: Footlick, Grosdidier, Kring, Perry, Weber. **Motion carried.**

Ordinance No. 1232 was assigned.

ADJOURNMENT

Moved by Kring, seconded by Grosdidier to adjourn the meeting at 4:45 p.m. All present voted AYE. **Motion carried.**

Respectfully submitted by Martha M. Sumrall, City Clerk.

Laura L. McConwell, Mayor

Martha M. Sumrall, City Clerk

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MINUTES OF THE MISSION CITY COUNCIL SPECIAL MEETING, APRIL 11, 2007

The Mission City Council met in special session at Mission City Hall, 6090 Woodson, April 11, 2007 at 6:00 p.m. with Council President Connie Footlick presiding. The following councilmembers were present: Gibbs, Grosdidier, Kring, Perry, Schowengerdt, Shepard, Weber. Councilmember Shepard arrived at 6:10 p.m.

**APPROVAL OF CONTRACT WITH MCGOWN GORDON CONSTRUCTION, LLC
FOR CONSTRUCTION OF PUBLIC WORKS FACILITY**

Mr. Scanlon reported that Attorney Roger Templin, Payne & Jones, has reviewed the proposed contract and all recommended changes have been incorporated into the contract being considered at this time. He also noted that a portion of certain items that were originally approved by Council on March 21, 2007 in the contract for site work, are included in this contract including \$191,522 for site work, \$26,249 for concrete dome pads, and \$42,005 for greenhouse as these items will be completed by McGown Gordon. Councilman Schowengerdt requested clarification on the union vs. non-union items in the contract. Councilwoman Kring requested clarification on the difference between the previously quoted greenhouse fee and the current amount. Mr. Scanlon stated that the previous amount was what was in the budget and this amount is the actual cost. It was noted that a monument sign has been included in the budget.

Moved by Weber, seconded by Kring to approve a contract with McGown Gordon Construction, LLC for construction of the Public Works Facility in an amount not to exceed \$3,309,013. This contracted price includes the following:

- Base Building in the amount of \$3,049,237.00
- Site work in the amount of \$191,522.00
- Dome Pads in the amount of \$26,249.00
- Greenhouse in the amount of \$42,005.00

Councilman Schowengerdt stated that he feels the City should have sought multiple bids for the project and that he will vote no on this item. Councilman Weber stated that three firms were initially reviewed for this project and McGown Gordon was selected. He offered to provide Councilman Schowengerdt with the materials from the three companies that originally bid on this contract. Voting AYE: Footlick, Gibbs, Grosdidier, Kring, Perry, Shepard, Weber. NAY: Schowengerdt. **Motion carried.**

ADJOURNMENT

Moved by Shepard, seconded by Kring to adjourn the meeting at 6:20 p.m. All present voted AYE. **Motion carried.**

Respectfully submitted by Martha M. Sumrall, City Clerk.

Laura L. McConwell, Mayor

MINUTES OF THE MISSION CITY COUNCIL SPECIAL MEETING, APRIL 11, 2007

Martha M. Sumrall, City Clerk

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<p>CITY OF MISSION ACTION ITEM SUMMARY FINANCE & ADMINISTRATION</p>	<p>Item Number: 3b. Date: April 6, 2007 From: Mike Scanlon, City Administrator</p>
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SUBJECT:
Review of City Council Policy 115 – Purchase of Professional Services

RECOMMENDATION:

That the Finance and Administration Committee recommend to the City Council approval of City Council Policy 115 – Purchase of Professional Services.

DETAILS:

The City Council in various actions over the last 3 years have been purchasing professional services through the use of Request For Proposals (RFPs). This process has never been codified or included in City Council Policy form. City Council Policy 115 outlines the process that will be used for the selection of outside professionals. The current method of selection, term and pricing of services has been a question that City Council has asked staff to address. It's hoped that this policy will provide the necessary clarification to get both policy makers and staff on the same page.

Note: With the exception of the City's Stormwater Engineer this process while not codified or established by Council Policy has been followed.

Amount Requested: NA
Line Item Code & Description: NA
Available Budget:

CITY OF MISSION

CITY COUNCIL POLICY MANUAL

POLICY NO. 115

POLICY RELATING TO THE PURCHASE OF PROFESSIONAL SERVICES

The City Council is committed to maintaining a competitive bid environment to make sure that the City is receiving contracted professional services at an appropriate price.

- 1.01 It shall be the Policy of the City of Mission to select professional service vendors based on a competitive process administered by the City Administrator or his/her designee.
- 1.02 Professional Service vendors shall include but not be limited to the following list of professionals, accountants, appraisers, architects, attorneys, construction management, developers (of public property), engineers, financial advisors, human resource experts, information technology experts, inspectors, and planners.
- 1.03 In selecting a provider of professional services the City Administrator will initiate a Request For Proposals (RFP) process. That process will include an initial review of the RFP documents by the appropriate City Council committee before the RFP is issued. The initial review of the RFP will also be accompanied by a time-line for selection.
- 1.04 The City Council will participate in the final two steps of the process which shall include the interview of professional service finalists at the appropriate City Council committee and recommendation to the City Council on the firm to be selected. It shall be the responsibility of the City Council Committee to determine the appropriate methodology to follow as it relates to the final pricing and negotiation of service fees.

PASSED AND APPROVED BY THE CITY COUNCIL ON MONTH XX, 2007.

<p style="text-align: center;">CITY OF MISSION ACTION ITEM SUMMARY Community Development Department</p>	<p>Item Number: 3c. Date: April 13, 2007 From: Martin Rivarola</p>
<p>SUBJECT:</p> <p>First Tier Development – Mission Village Development Street Right-Of-Way Vacation</p>	
<p>DETAILS:</p> <p>The City Council approved the Sales Contract for the property at the Southwest corner of the Shawnee Mission Parkway & Roe Avenue intersection on December 13, 2006. The Contract was signed on December 20, 2006.</p> <p>The applicant requests that a portion of the Roe Avenue ROW be vacated to the buyer, so that private setback requirements can be met by the project. The requested ROW vacation would be as depicted in the attached documentation, a total width of 14 feet. Staff also supports this request.</p>	
<p>RECOMMENDATION:</p> <p>Approve ordinance vacating a portion of Roe Avenue adjacent to Lots 1, 2, and 3, Block 2, Mission Village.</p>	
<p>Amount Requested: NA</p>	
<p>Line Item Code & Description: NA</p>	
<p>Available Budget: NA</p>	

ORDINANCE NO. _____

AN ORDINANCE VACATING A PORTION OF ROE AVENUE, ADJACENT TO LOTS 1, 2 AND 3, BLOCK 2, MISSION VILLAGE, A SUBDIVISION IN THE CITY OF MISSION, JOHNSON COUNTY, KANSAS.

WHEREAS, as a result of certain public improvements, the need for the right of way of a portion of Roe Avenue adjacent to Lots 1, 2 and 3, Block 2, MISSION VILLAGE, a subdivision in the City of Mission, Johnson County, Kansas, is no longer necessary; and

WHEREAS, the legal description of the portion of Roe Avenue to be vacated is as set forth on Exhibit "A" attached hereto; and

WHEREAS, on the ____ day of _____, 2007, the City Council unanimously approved said vacation, with an easement reserved as hereinafter set forth.

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

SECTION 1. That a portion of the right of way of Roe Avenue adjacent to Lots 1, 2 and 3, Block 2, MISSION VILLAGE, a subdivision in the City of Mission, Johnson County, Kansas, and legally described on Exhibit "A" attached hereto is hereby vacated. Provided, however, that said vacation is subject to and with a reservation of existing utility easements within such right of way.

SECTION 2. TAKE EFFECT. This ordinance shall be in full force and effect thirty (30) days after its publication in the official City newspaper, subject to the right of protest by any interested party within such time, all as provided by law.

PASSED BY THE City Council the ____ day of _____, 2007.

APPROVED BY THE Mayor this ____ day of _____, 2007.

[SEAL]

Laura McConwell, Mayor

Attest:

Martha Sumrall, City Clerk

Approved As To Form Only:

David K. Martin, City Attorney

Exhibit A