



City of Clearwater Council Meeting Agenda  
Tuesday April 10, 2018 at 6:30pm  
129 E Ross Clearwater, KS 67026

[www.clearwaterks.org](http://www.clearwaterks.org)

[Please note that the meeting agenda is subject to change during the meeting.]

**1. CALL TO ORDER**

**2. INVOCATION AND FLAG SALUTE**

**3. ROLL CALL**

**4. APPROVAL OF AGENDA**

**5. PUBLIC FORUM**

Members of the public can address the Mayor and City Council limited to not more than five minutes.

**6. CONSENT AGENDA**

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

- a. [Minutes 03/27/18 Council Meeting](#)
- b. [Mayoral Appointments](#)

**7. CLAIMS AND WARRANTS**

**8. STAFF REPORTS**

**9. BUSINESS**

- a. [Consider Extending the Sale of Fireworks for the Fourth of July](#)
- b. [Consider Chamber of Commerce Sign Proposal](#)
- c. [Consider a Resolution Authorizing Chisholm Ridge Phase 3](#)
- d. [Consider a Resolution Calling for Temporary Note Sale](#)

**10. CITY ADMINISTRATORS REPORT**

**11. GOVERNING BODY COMMENTS**

**12. EXECUTIVE SESSION**

**13. ADJOURNMENT**

Next Assignment Numbers

Charter Ordinance: 20

Ordinance: 1042

Resolution: 9-2018

**NOTICE: SUBJECT TO REVISIONS**

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

**City of Clearwater, Kansas**  
Sedgwick County  
City Council Meeting - **MINUTES**  
March 27, 2018  
Clearwater City Hall – Council Chambers  
129 E. Ross Avenue Clearwater, KS 67026

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**1. Call to Order**

Mayor Ussery called the meeting to order at 6:30 p.m.

**2. Flag Salute**

Mayor Ussery gave the invocation which was followed by the pledge of allegiance and flag salute.

**3. Roll Call**

The City Clerk called the roll to confirm the presence of a quorum. The following members were present:

Mayor Burt Ussery and Councilmembers; Laura Papish, Shirley Palmer-Witt, Tex Titterington and Chris Griffin were present.

Yvonne Coon was absent.

The following staff members were present:

Ron Marsh, City Administrator; Courtney Meyer, City Clerk; Bill Hisle, Chief; Scott Cooper, Director of Emergency Services.

Others present: Carl Fry, Kurtis Lauterbach, John Haas, Dakota Cowherd, Ruth Glenn, Levi Macy.

**4. Approval of the Agenda**

Mayor Ussery asked if there were any modifications to the agenda. Marsh stated item 12 executive session needed to be stricken and Insert above 9a Wayne Berntsen would like to address council on behalf of the Clearwater Recreation Commission.

Mayor Ussery called for a motion to approve the agenda as modified.

**Motion: Griffin** moved, **Papish** seconded to accept the March 27, 2018 agenda as modified. Voted and passed unanimously.

**5. Public Forum**

None

Councilmember Yvonne Coon enters at 6:31

**6. Approve Consent Agenda**

Minutes March 13, 2018 Council Meeting Minutes  
Consider Fire Fighter Retirement – Gerald Ready  
Authorize hiring of Public Works seasonal employee

**Motion: Papish** moved, **Palmer-Witt** seconded to approve the consent agenda as presented. Voted and passed unanimously.

**7. Claims and Warrants**

Meyer stated that the claims and warrants were \$27,995.94.

**Motion:** *Papish* moved, *Griffin* seconded to pay the claims and warrants as presented. Voted and passed unanimously.

## **8. Staff Reports**

Public Works – Ron Marsh reported for Director Ernie Misak

- Public works is still working on the ditch on Kansas between 2<sup>nd</sup> and 3<sup>rd</sup>.
- Soccer fields were mowed. Still need to get with Steve Hatfield regarding grass.
- Cattails were burned at the Chisholm Ridge ponds. KDWP stated that a 1/3 of the cattails need to be left to help attract wildlife.
- March sewer sample did fail.

PD – Bill Hisle

- Hoover graduates on Friday at 1pm from KLETC

Chris Griffin asked if there was anything that the police department could do about the car thefts. Chief Hisle stated that all the vehicles that were burglarized and stolen were left unlocked by the owner and keys left inside. He advised people to lock their car doors.

Emergency Service – Scott Cooper

- 8 EMS Calls – 4 transfers; 1 refusal; 1 no response because 2 calls came in at the same time and one was dispatched to Sedgwick County.
- 5 fire calls – 1 brush fire; 4 misc. calls
- Auction for radios and old compressor closes tomorrow.

## **9. Business**

### **INSERT – Wayne Berntsen, Clearwater Recreation Commission chairperson**

Wayne stated the Rec Commission would like to make Beki Zook, Rec Director, a full time Rec employee instead of split 50/50 with the City. Wayne stated the city currently spends approx. \$39,000 on Beki for the City's portion of the salary and benefits. Wayne explained there is an Employee Benefit Fund that will help Rec commission pay for Director benefits. Wayne explained the Rec has a lot of plans for Beki and will need her to work 100% of time for the Rec and the Rec will be able to fund her full salary.

Council discussed and asked what gap will her duties be leaving for the city? Marsh explained that Zook spends the majority of her time with the Rec and supplementing her duties will not be an issue for the himself or Public Works.

After discussion council agreed to give the Recreation Commission the go ahead to move forward and get their questions answered regarding taking over 100% of the Rec Director salary.

### **a. Consider an Ordinance Annexing 8010 Butterfly St into City Limits**

Last month the city received and approved a Consent for and Petition to Annex into the corporate limits of the City of Clearwater from the property owners at 8010 Butterfly Street. The property is part of the Prairie Meadows Estates Sub-division and as such is required to petition for annexation to receive city water service. At the February 27, 2018 meeting the Governing Body did adopt Resolution 7-2018 finding it advisable to annex the referenced property. That resolution was subsequently sent to the Sedgwick County Board of County Commissioners pursuant to state statute. At their March 21, 2018 meeting the Sedgwick County BOCC did adopt a resolution allowing the city to annex the property pursuant to state statute.

Sedgwick County BOCC has approved the release for annexation. A separate Ordinance needs to be adopted officially annexing the property into the city.

**Motion:** *Griffin* moved, *Titterington* seconded to adopt ordinance 1042 annexing 8010 Butterfly St into the City limits. Coon, yea; Papish, yea; Palmer-Witt, yea; Titterington, yea; Griffin, yea Voted and passed unanimously.

**b. Consider Petition for Improvements for Chisholm Ridge Phase 3**

Wanting to build on the momentum of the success of Chisholm Ridge Phase 2, Staff worked with the City's Bond Attorney, Kevin Cowan and Financial Advisor, John Haas to initiate the process of making improvements in phase 3.

Water \$154,810  
Streets \$469,627  
Sewer \$95,331  
Drainage \$50,231

Water, streets and sewer improvements will be assessed equally by lot in the improvement district. The drainage improvements will be paid by the City.

The overall cost of the improvements is \$769,999, of which \$719,768 will be assessed to each property.

John Haas explained that staff directed him to set up temp notes with 3-year financing. This will give the city 3 years to sell the lots prior to having to pay specials themselves. John went through the calendar for closing of the temp notes and stated the closing date will be June 1, 2018. This meeting council will accept a petition to move forward with the improvements for Chisholm Ridge phase 3. The next meeting will be a resolution authorizing the project and a resolution calling for a temporary note sale.

**Motion:** *Titterington* moved, *Palmer-Witt* seconded to accept the petition for improvement for Chisholm Ridge Phase 3. Voted and passed unanimously.

**c. Consider Ambulance Fee Reduction**

The Governing Body asked Staff to review the ambulance billing fee after one year and recommend any changes that Staff felt was necessary.

Staff reviewed billing for 2017 looking at amount billed, collections and insurance contract adjustments. After discussions with our billing company Delisa and the Emergency Services Director, Staff recommends reducing the amount billed per service as shown in the following table:

Call/Service Type	2017 Rate	2018 Recommended Rate
ALS 2	\$1500	\$700
ALS 1	\$1200	\$600
BLS 2 (Emergency BLS)	\$850	\$500
BLS 1	\$750	\$450
Transfer	\$500	\$275
Mileage	\$18/mile	\$13/mile

The recommended rate for 2018 better reflects what the City collects based on insurance contract adjustments. It also represents a more accurate figure for budget purposes and for the Public.

City billed \$156,772.20 for ambulance services in 2017

For the city to bill the insurance company, the City agrees to accept insurance adjusted rates for ambulance services

Each insurance rate differs for various reasons:

employer

Participant plan

history

\$94,703.64 was adjusted from the above total (60%)

Leaving \$62,068.56 the city could actually collect (40%)

City Collected \$49,359 in 2017 (80%)

Papish pointed out that if we lower our rates too much and insurance starts to pay more then the city might not be able to recoup as much back from the insurances as possible.

Council discussed and decided to not adjust rates at this time but asked staff to bring this information back up in January 2019.

#### **10. City Administrators Report**

Reminder: Curbside City-wide cleanup will be April 21<sup>st</sup>. All items must be at curbside by 7:00 am.

Reminder: please let me know if there is anything in particular you would like to see done or budgeted so Staff can get costs/prices/etc. prior to the budget workshop.

The strategic planning workshop tentatively scheduled for April 14<sup>th</sup> will be rescheduled.

The selection committee for the Planning Walkable Spaces RFP met March 15<sup>th</sup> to interview the 2 companies that submitted RFP's, Vireo and SE3. After interviews and reference checks the committee selected Vireo to conduct the study. They will start in mid-May and as part of the study will hold a couple of community meetings to gather input from citizens.

We continue to receive an increase in nuisance complaints, particularly regarding inoperable cars on private property. As noted last meeting, staff is launching an information campaign to educate and inform citizens about nuisances and what is permitted and not permitted. The city newsletter will be dedicated to this topic in the next water bill as well as posting the information on the City website and FB page to reach as many people as possible. After a 30-day period to self-correct violations, remaining violations will receive a warning notice (10 days) and then abatement notices and citations will be issued.

The Chamber has reached out about the Welcome signs at K-42/135<sup>th</sup> St. and US 81/103<sup>rd</sup> St. Once they get costs finalized they will be coming to ask the Governing Body for monetary assistance. The City does not have anything budgeted in 2018 for these signs, however the City Capital Improvement fund could be used.

Courtney and I will be at the Kansas Rural Water Association Conference Wednesday & Thursday.

I will be out next week from Tuesday afternoon through Friday.

#### **11. Governing Body Comments**

Coon had nothing to report

Papish reminded everyone the Art Walk will be April 6<sup>th</sup> at 7pm. She also asked if there has been questions about having a beer garden. Marsh stated he is looking into that. Papish also asked if 12 cones could be set out for the Art Walk to mark the locations of art.

Palmer-Witt had nothing to report

Titterington asked if there was an increase in dogs running at large? Chief Hisle stated that he has not noticed an actual increase.

Griffin had nothing to report

Ussery had nothing to report.

**12. Adjournment**

With no further discussion Mayor Ussery called for a motion to adjourn.

**MOTION:** *Coon* moved, *Palmer-Witt* seconded to adjourn the meeting. Voted and passed unanimously. The meeting adjourned at 7:53 PM

**CERTIFICATE**

State of Kansas        }  
County of Sedgwick   }  
City of Clearwater    }

I, Courtney Meyer, City Clerk of the City of Clearwater, Sedgwick County, Kansas, hereby certify that the foregoing is a true and correct copy of the approved minutes of the March 27, 2018 City Council meeting.

Given under my hand and official seal of the City of Clearwater, Kansas, this 10<sup>th</sup> day of April 2018

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Courtney Meyer, City Clerk

**City of Clearwater  
City Council Meeting  
April 10, 2018**

**Mayoral Appointment (Consent Agenda)**

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**Background:** Per City Code all volunteers are to be appointed by the Mayor.

**Analysis:** The Mayor is requesting appointment to Emergency Services the following:

Trevor Carney – Probationary Firefighter  
John Van Klei III – Probationary Firefighter

According to the current Fire Department Rules in place a person can be appointed as a member of the fire department with no experience but must complete training in SCBA, CPR, and Firefighter safety prior to becoming an active member.

Andrew Rakes – Cadet  
Luke Davis – Cadet

With Andrew and Luke, the total cadet count will be 6 cadets. 1 – 18yr old, 3 – 16yr old, 2 – 15yr old.

**Financial:** There is no financial consideration

**Legal Considerations:** Review and comment as necessary

**Recommendations/Actions:** Approve the Mayor's request for appointment



April 03, 2018

Burt Ussery, Mayor  
129 E. Ross  
Clearwater, KS 67026

Dear Mayor Ussery,

I request the following people to be appointed to Clearwater the Emergency Services Department as members.

Trevor Carney- Probationary Firefighter

John Van Klei III- Probationary Firefighter

Andrew Rakes- Fire Cadet

Luke Davis- Fire Cadet

Respectfully,

Scott Cooper

Director of Emergency Services

City of Clearwater, Kansas



**City of Clearwater  
City Council Meeting  
April 10, 2018**

**Item: Fireworks Sale Extension**

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**Background:** Section 14-46 of the City Code allows for the sale of fireworks in the City of Clearwater from July 1 – 4 each year.

**Analysis:** The Government class firework sales is the most profitable fundraiser for the annual Washington, DC Senior trip. July 4<sup>th</sup> is on a Wednesday this year putting the 1<sup>st</sup> on a Sunday. Two of the busiest selling days for fireworks are traditionally the Friday & Saturday before the holiday and the Government Class would miss out on the opportunity to sell on those days. Chuck Reitberger, DC Trip Sponsor, is present to ask the Council to consider extending the sale days.

**Financial:** No financial obligation to the City

**Legal Considerations:** Council has drafted a temporary amendment to Section 14-46 of the City Code to extend the sale of fireworks for Friday, June 29<sup>th</sup> and Saturday, June 30<sup>th</sup>. This temporary amendment is for 2018 only.

**Recommendations/Actions:** Approve the temporary amendment to Section 14-46.

## Sec. 14-46. - Sale and use of fireworks.

- (a) *Retail sale of fireworks; date; time.* The retail sale of fireworks shall only be permitted on the days of July 1 through July 2 between the hours of 10:00 a.m. and 10:00 p.m. and on the days of July 3 and July 4 between the hours of 10:00 a.m. and 12:00 midnight.
- (b) *Use and discharge of fireworks; date; time.* The use and discharge of such fireworks shall only be permitted on the days of July 1 through July 2 between the hours of 10:00 a.m. and 10:00 p.m. and on the days of July 3 and 4 between the hours of 10:00 a.m. and 12:00 midnight.
- (c) *Public display of fireworks; date.* A public display of fireworks shall be permitted upon application as set forth in section 14-45 on the days of July 3 and July 4. A public display of fireworks may be permitted on any other date after application and approval by the city council and upon the conditions set forth by the city council in granting its approval.
- (d) *Special circumstances; exceptions.*
  - (1) If July 5 falls on a Saturday in any calendar year, then the dates set forth in subsections (b) and (c) of this section shall be extended to July 5 between the hours of 10:00 a.m. and 10:00 p.m.
  - (2) If inclement weather prevented the use and discharge of fireworks and the public display of fireworks on July 4, the mayor in his discretion may notify members of the public that the dates set forth in subsections (b) and (c) of this section shall be extended to July 5 between the hours of 10:00 a.m. and 10:00 p.m.

(Code 1974, § 6.28.031; Ord. No. 728, § 1, 1996; Ord. No. 749, § 2, 1997; Ord. No. 771, § 2, 1998; Ord. No. 780, § 2, 1999; Ord. No. 891, § 1, 2008; Ord. No. 922, § 1, 5-11-2010; Ord. No. 991, § 1, 12-9-2014)

**March 29, 2018**

**Mayor Burt Ussery and the Clearwater City Council:**

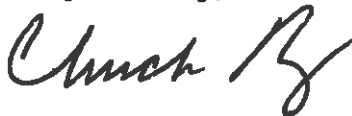
**I wish to respectfully ask for the opportunity to address the city council on the matter of fireworks sales during the week of the Fourth of July.**

**For many years, the Clearwater City Council has fully supported the Washington DC Senior trip. Our fireworks sales is by far our most profitable fundraiser to defray some expenses of this fantastic experience for our community's youth.**

**City ordinance allows fireworks sales to be allowed July 1-4. With the holiday on Wednesday this year, potential sales the previous weekend days will be seriously hampered**

**I look forward to speaking to the City Council on this matter at your convenience. Thank you for your consideration.**

**Respectfully,**



**Chuck Reitberger  
Clearwater High School  
DC Trip Sponsor**

City of Clearwater  
City Council Meeting  
April 10, 2018

Consider Chamber of Commerce Sign Proposal

**Background:** Clearwater Chamber of Commerce informed council last year that they were working on putting together pricing for signs located on Highway 81 and K42.

**Analysis:** The Chamber reached out to NuLine signs to work with them on coming up with signs that will be able to work with the existing poles. Shaun Weaver will be on hand to give the proposal for a shared cost between the City and the Chamber.

**Financial:** Unknown

**Legal Considerations:** Review and comment as necessary

**Recommendations/Actions:** Consider a shared cost for new Clearwater signs on the highways.

FRONT SIDE



BACK SIDE



**City of Clearwater  
City Council Meeting  
April 10, 2018**

**Item: Consider a Resolution Authorizing the Chisholm Ridge Phase 3 Project**

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**Background:** As part of the process for installing infrastructure in support of Chisholm Ridge Phase 3, the Governing Body did accept and approve petitions for improvements.

**Analysis:** The resolution authorizes the improvements requested and establishes the method of which those improvements would be paid for as well as cost. The improvements will include Street Improvements at \$469,627, Water Improvements at \$154,810, Sanitary Sewer Improvements at \$95,331 and \$50,231 in Drainage Improvements.

**Financial:** The City at Large will be responsible for levying enough taxes to pay for the drainage improvement costs of the temporary notes. All other improvements will go through the special assessment process. The City will have 3 years to sell the city owned lots prior to final financing where the payments for special assessments will start.

**Legal Considerations:** The Resolution and supporting documents have been crafted by Bond Counsel Kevin Cowan and he will be available for comment as necessary.

**Recommendations/Actions:** Adopt the resolution authorizing the Chisholm Ridge Phase 3 Project.

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF CLEARWATER, KANSAS  
HELD ON APRIL 10, 2018**

The governing body met in regular session at the usual meeting place in the City, at 6:30 p.m., the following members being present and participating, to-wit:

Absent:

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

\* \* \* \* \*

(Other Proceedings)

Thereupon, and among other business, there was presented to the governing body a Petition which had been filed in the Office of the City Clerk requesting the making of certain internal improvements in the City pursuant to the authority of K.S.A. 12-6a01 *et seq.*

Thereupon, there was presented a Resolution entitled:

**A RESOLUTION DETERMINING THE ADVISABILITY OF THE MAKING OF CERTAIN INTERNAL IMPROVEMENTS IN THE CITY OF CLEARWATER; MAKING CERTAIN FINDINGS WITH RESPECT THERETO; AND AUTHORIZING AND PROVIDING FOR THE MAKING OF THE IMPROVEMENTS IN ACCORDANCE WITH SUCH FINDINGS (STREET, WATER, SEWER AND DRAINAGE/CHISHOLM RIDGE PHASE 3).**

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; and the Clerk was further directed to cause the publication of the Resolution one time in the official City newspaper and to record the Resolution in the Office of the Register of Deeds of Sedgwick County, Kansas, all as required by law.

\* \* \* \* \*

(Other Proceedings)

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 Clearwater, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

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Clerk

(Published in *The Times Sentinel*, on April 19, 2018)

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION DETERMINING THE ADVISABILITY OF THE MAKING OF CERTAIN INTERNAL IMPROVEMENTS IN THE CITY OF CLEARWATER; MAKING CERTAIN FINDINGS WITH RESPECT THERETO; AND AUTHORIZING AND PROVIDING FOR THE MAKING OF THE IMPROVEMENTS IN ACCORDANCE WITH SUCH FINDINGS (STREET, WATER, SEWER AND DRAINAGE/ CHISHOLM RIDGE PHASE 3).**

**WHEREAS**, a Petition (the "Petition") was filed with the City Clerk of the City of Clearwater, Kansas (the "City") proposing certain internal improvements; and said Petition sets forth: (a) the general nature of the proposed improvements; (b) the estimated or probable cost of the proposed improvements; (c) the extent of the proposed improvement district to be assessed for the cost of the proposed improvements; (d) the proposed method of assessment; (e) the proposed apportionment of the cost between the improvement district and the City at large; and (f) a request that such improvements be made without notice and hearing as required by K.S.A. 12-6a04(b) (the "Act"); and

**WHEREAS**, the governing body of the City hereby finds and determines that said Petition was signed by a majority of the resident owners of record of the property, or the resident owners of record of more than one-half of the area or the owners of record of more than one-half of the area liable for assessment for the proposed improvements, and is therefore sufficient in accordance with the provisions of the Act.

**THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF CLEARWATER, KANSAS:**

**Section 1. Findings of Advisability.** The governing body hereby finds and determines that:

- (A) The improvement proposed to be made is as follows (jointly, the "Improvements"):
- i. Construct water system improvements consisting of 8" water line, fire hydrant and appurtenances to serve the Improvement District defined herein (the "Water Improvements");
  - ii. Construct street paving improvements, including curb and gutter and appurtenances to serve the Improvement District defined herein (the "Street Improvements");
  - iii. Construct drainage, storm sewer and berm improvements to serve the Improvement District defined herein (the "Drainage Improvements"); and
  - iv. Construct sewer system improvements consisting of 8" sanitary sewer pipe and appurtenances to serve the Improvement District defined herein (the "Sewer Improvements," and, jointly, with the Water Improvements, the Street Improvements and Drainage Improvements, the "Improvements").



- (B) The estimated or probable cost of the proposed Improvements is:
- i. For the Water Improvements, \$154,810, to be increased at the pro rata rate of 1 percent per month from and after the date of adoption of a resolution authorizing the Improvements;
  - ii. For the Street Improvements, \$469,627, to be increased at the pro rata rate of 1 percent per month from and after the date of adoption of a resolution authorizing the Improvements;
  - iii. For the Drainage Improvements, \$50,231, to be increased at the pro rata rate of 1 percent per month from and after the date of adoption of a resolution authorizing the Improvements;
  - iv. For the Sewer Improvements, \$95,331, to be increased at the pro rata rate of 1 percent per month from and after the date of adoption of a resolution authorizing the Improvements;

(C) The extent of the improvement district (the "Improvement District") to be assessed for the costs of the proposed Improvements is as follows:

- i. For the Water Improvements, Street Improvements, and Drainage Improvements, Lots 40-51, Block 1, and Lots 15-28, Block 3, all in Chisholm Ridge Addition, an addition the City of Clearwater, Sedgwick County, Kansas;
- ii. For the Sewer Improvements, Lots 44-47 and Lots 49-51, Block 1, and Lots 23-28, Block 3, all in Chisholm Ridge Addition, an addition the City of Clearwater, Sedgwick County, Kansas;

(D) The method of assessment is: equally per lot.

(E) The apportionment of the cost of the Improvements between the Improvement District and the City-at-large is:

- i. For the Water Improvements, Street Improvements and Sewer Improvements, 100% to be assessed against the Improvement District and 0% to be paid by the City-at-large;
- ii. For the Drainage Improvements, 0% to be assessed against the Improvement District and 100% to be paid by the City-at-large.

If the Improvements are abandoned, altered and/or constructed privately in part or whole that precludes building this improvement under the authority of this petition, any costs that the City incurs shall be assessed to the property described above in accordance with the terms of the petition. In addition, if the Improvements are abandoned at any state during the design and/or construction of the Improvements or if it is necessary for the City to redesign, repair or reconstruct the Improvements after their initial design and/or construction because the design or construction does not meet the requirements of the City, then such costs associated with the redesign, repair or reconstruction of said Improvements shall be assessed to the property described above in accordance with the terms of this petition.

**Section 2. Authorization of Improvements.** The abovesaid Improvements are hereby authorized and ordered to be made in accordance with the findings of the governing body of the City as set forth in **Section 1** of this Resolution.

**Section 3. Bond Authority; Reimbursement.** The Act provides for the Improvements to be paid by the issuance of general obligation bonds or special obligation bonds of the City (the "Bonds"). The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation 1.150-2.

**Section 4. Effective Date.** This Resolution shall be effective upon adoption. This Resolution shall be published one time in the official City newspaper, and shall also be filed of record in the office of the Register of Deeds of Sedgwick County, Kansas.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**ADOPTED** by the governing body of the City on April 10, 2018.

(SEAL)

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clerk

**CERTIFICATE**

I hereby certify that the above and foregoing is a true and correct copy of the Resolution of the City adopted by the governing body on April 10, 2018 as the same appears of record in my office.

DATED: April 10, 2018.

\_\_\_\_\_  
Clerk

**City of Clearwater  
City Council Meeting  
April 10, 2018**

**Item: Consider a Resolution Calling for the Sale of Temporary Notes**

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**Background:** As part of the process for installing infrastructure in support of Chisholm Ridge Phase 3, the Governing Body did accept and approve petitions for improvements.

**Analysis:** The resolution authorizes the offering of General Obligation Temporary Notes in the amount not to exceed \$769,999. This includes the Street Improvements of \$469,627, Water Improvements of \$154,810, Sanitary Sewer Improvements of \$95,331 and \$50,231 in Drainage Improvements.

**Financial:** The City at Large will be required to submit payment for only interest on the temporary notes for three years until the temp notes mature and they are rolled into permanent financing at which time the special assessment process will start and the owners of property receiving the benefits will be given the opportunity to pay those charges off in full or via special assessments on their property tax bill.

**Legal Considerations:** The Resolution and supporting documents have been crafted by Bond Counsel Kevin Cowan and he will be available for comment as necessary.

**Recommendations/Actions:** Adopt the resolution calling for the sale of temporary notes.

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF CLEARWATER, KANSAS  
HELD ON APRIL 10, 2018**

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

Absent:

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

\* \* \* \* \*

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Temporary Notes, Series 2018, came on for consideration and was discussed.

Councilmember \_\_\_\_\_ presented and moved the adoption of a Resolution entitled:

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL  
OBLIGATION TEMPORARY NOTES, SERIES 2018, OF THE CITY OF  
CLEARWATER, KANSAS.**

Councilmember \_\_\_\_\_ seconded the motion to adopt the Resolution. 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 by the Governing Body and the Clerk designated the same Resolution No. [\_\_\_\_\_].

\* \* \* \* \*

(Other Proceedings)

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**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 Clearwater, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

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Clerk

RESOLUTION NO. [\_\_\_\_]

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION TEMPORARY NOTES, SERIES 2018, OF THE CITY OF CLEARWATER, KANSAS.**

**WHEREAS**, the City of Clearwater, Kansas (the “Issuer”), has previously authorized certain internal improvements described as follows (collectively, the “Improvements”):

<u>Project Description</u>	<u>Res. No.</u>	<u>Authority (K.S.A.)</u>	<u>Amount</u>
Chisholm Ridge Phase 3:		K.S.A. 12-6a01 <i>et seq.</i>	
Water improvements		K.S.A. 12-6a01 <i>et seq.</i>	\$154,810.00
Street improvements		K.S.A. 12-6a01 <i>et seq.</i>	469,627.00
Drainage improvements		K.S.A. 12-6a01 <i>et seq.</i>	50,231.00
Sewer improvements		K.S.A. 12-6a01 <i>et seq.</i>	95,331.00
<b>Total:</b>			<b>\$769,999.00</b>

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

**WHEREAS**, none of such temporary notes previously authorized have been issued and the Issuer proposes to issue its temporary notes to pay the costs of the Improvements; and

**WHEREAS**, the Governing Body of the Issuer (the “Governing Body”) has selected the firm of Ranson Financial Group, LLC, Wichita, Kansas (the “Financial Advisor”), as financial advisor for one or more series of temporary notes of the Issuer in order to provide funds to temporarily finance the Improvements; and

**WHEREAS**, the Issuer desires to authorize the Financial Advisor to proceed with the offering for sale of the temporary notes and related activities; and

**WHEREAS**, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to the temporary notes; and

**WHEREAS**, the Issuer desires to authorize the Financial Advisor and Gilmore & Bell, P.C., Wichita, Kansas, the Issuer’s bond counsel (“Bond Counsel”), in conjunction with the Clerk, to proceed with the preparation and distribution of a preliminary official statement and notice of note sale and to authorize the distribution thereof and all other preliminary action necessary to sell the temporary notes.

**BE IT RESOLVED BY THE CITY OF CLEARWATER OF THE CITY OF CLEARWATER, KANSAS, AS FOLLOWS:**

**Section 1.** The Issuer is hereby authorized to offer at competitive public sale the Issuer's General Obligation Temporary Notes, Series 2018 (the "Notes") as described in the Notice of Note Sale, which is hereby approved in substantially the form presented to the Governing Body this date (the "Notice of Note Sale"). All proposals for the purchase of the Notes shall be delivered to the Governing Body at its meeting to be held on the sale date referenced in the Notice of Note Sale, at which meeting the Governing Body shall review such bids and award the sale of the Notes or reject all proposals.

**Section 2.** The Mayor and Clerk, in conjunction with the Financial Advisor and Bond Counsel, are hereby authorized to cause to be prepared a Preliminary Official Statement relating to the Notes (the "Preliminary Official Statement"), and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Notes.

**Section 3.** The Clerk, in conjunction with the Financial Advisor and Bond Counsel, is hereby authorized and directed to give notice of the note sale by distributing copies of the Notice of Note Sale and Preliminary Official Statement to prospective purchasers of the Notes. Proposals for the purchase of the Notes shall be submitted upon the terms and conditions set forth in the Notice of Note Sale, and awarded or rejected in the manner set forth in the Notice of Note Sale.

**Section 4.** The Mayor and Clerk are each hereby authorized to approve the form of the Preliminary Official Statement and to execute the "Certificate Regarding Preliminary Official Statement" in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official's signature thereon being conclusive evidence of such official's and the Issuer's approval thereof.

**Section 5.** The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Notes or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

**Section 6.** The Mayor, Clerk, and the other officers and representatives of the Issuer, the Financial Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Notes.

**Section 7.** This Resolution shall be in full force and effect from and after its adoption.

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**ADOPTED** by the Governing Body on April 10, 2018.

(SEAL)

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Mayor

ATTEST:

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Clerk

**EXHIBIT A**

**CERTIFICATE REGARDING  
PRELIMINARY OFFICIAL STATEMENT**

To:

Re: \$752,000\* City of Clearwater, Kansas, General Obligation Temporary Notes, Series 2018

The undersigned are the duly acting Mayor and Clerk of the City of Clearwater, Kansas (the "Issuer"), and are authorized to deliver this Certificate to the purchaser (the "Purchaser") of the above-referenced notes (the "Notes") on behalf of the Issuer. The Issuer has previously caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the "Preliminary Official Statement") relating to the Notes.

To the knowledge of the Issuer, the information contained in the Preliminary Official Statement, other than the sections entitled "The Depository Trust Company," "Ratings," "Legal Matters," "Tax Matters," and *Appendices B* and *C*, for which the Issuer expresses no opinion, and except for the omission of certain information such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Notes depending on such matters, is true in all material respects, does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

**CITY OF CLEARWATER, KANSAS**

By: \_\_\_\_\_  
Title: Mayor

By: \_\_\_\_\_  
Title: Clerk



**NOTICE OF NOTE SALE**

**\$752,000\***

**CITY OF CLEARWATER, KANSAS**

**GENERAL OBLIGATION TEMPORARY NOTES  
SERIES 2018**

(GENERAL OBLIGATION NOTES PAYABLE  
FROM UNLIMITED AD VALOREM TAXES)

**Bids.** Facsimile, written, and electronic (as explained below) bids for the purchase of the above-referenced temporary notes (the “Notes”) of the City of Clearwater, Kansas (the “Issuer”) herein described will be received on behalf of the undersigned Clerk of the Issuer at the address hereinafter set forth in the case of written and facsimile bids, and via PARITY® in the case of electronic bids, until 11:00 A.M. applicable Central Time (the “Submittal Hour”), on

**TUESDAY, MAY 8, 2018**

(the “Sale Date”). All bids will be publicly evaluated at said time and place and the award of the Notes to the successful bidder (the “Successful Bidder”) will be acted upon by the Governing Body of the Issuer (the “Governing Body”) at its meeting to be held at 6:30 p.m. on the Sale Date. No oral or auction bids will be considered. Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Notes.

**Terms of the Notes.** The Notes will consist of fully registered notes in the denomination of \$5,000 or any integral multiple thereof, except one Note in the denomination of \$2,000 (or such amount added to \$5,000 or any integral multiple thereof) (the “Authorized Denomination”). The Notes will be dated June 1, 2018 (the “Dated Date”), and will become due in principal installments on June 1, in the year as follows:

<b>Stated Maturity</b>	<b>Principal</b>
<b><u>(June 1)</u></b>	<b><u>Amount*</u></b>
2021	\$752,000

The Notes will bear interest from the Dated Date at rates to be determined when the Notes are sold as hereinafter provided, which interest will be payable semiannually on June 1 and December 1 in each year, beginning on December 1, 2018 (the “Interest Payment Dates”).

\* **Adjustment of Issue Size.** The Issuer reserves the right to increase or decrease the total principal amount of the Notes or the schedule of principal payments described above, depending on the purchase price and interest rates bid and the offering prices specified by the Successful Bidder. The Successful Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the Notes or schedule of principal payments as described herein. If there is an increase or decrease in the final aggregate principal amount of the Notes or the schedule of principal payments as described above, the Issuer will notify the Successful Bidder by means of telephone or

facsimile transmission, subsequently confirmed in writing, no later than 2:00 p.m., applicable Central Time, on the Sale Date. The actual purchase price for the Notes shall be calculated by applying the percentage of par value bid by the Successful Bidder against the final aggregate principal amount of the Notes, as adjusted, plus accrued interest from the Dated Date to the Closing Date (as hereinafter defined).

**Place of Payment.** The principal of and interest on the Notes will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Note Registrar"). The principal of each Note and the interest thereon will be payable at maturity or earlier redemption to the owners thereof whose names are on the registration books (the "Note Register") of the Note Registrar (the "Registered Owner") upon presentation and surrender at the principal office of the Paying Agent. Interest on each Note will be payable to the Registered Owner of such Note as of the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date (the "Record Date"): (a) mailed by the Paying Agent to the address of such Registered Owner as 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 Registered Owner of \$500,000 or more in aggregate principal amount of Notes, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

**Note Registration.** The Notes will be registered pursuant to a plan of registration approved by the Issuer and the Attorney General of the State of Kansas (the "State"). The Issuer will pay for the fees of the Note Registrar for registration and transfer of the Notes and will also pay for 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, will be the responsibility of the Registered Owners.

**Book-Entry-Only System.** The Notes shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Notes. During the term of the Notes, so long as the book-entry-only system is continued, the Issuer will make payments of principal of, premium, if any, and interest on the Notes to DTC or its nominee as the Registered Owner of the Notes, DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Notes to its participants who shall be responsible for transmitting payments to beneficial owners of the Notes in accordance with agreements between such participants and the beneficial owners. The Issuer will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as securities depository for the Notes, or (b) the Issuer determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Notes would adversely affect the interests of the beneficial owners of the Notes, the Issuer will discontinue the book-entry-only form of registration with DTC. If the Issuer fails to identify another qualified securities depository to replace DTC, the Issuer will cause to be authenticated and delivered to the beneficial owners replacement Notes in the form of fully registered certificates. Reference is made to the Preliminary Official Statement for further information regarding the book-entry-only system of registration of the Notes and DTC.

#### **Redemption of Notes Prior to Maturity.**

**General.** Whenever the Issuer is to select Notes for the purpose of redemption, it will, in the case of Notes in denominations greater than the minimum Authorized Denomination, if less than all of the Notes then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such fully registered Note as though it were a separate Note in the minimum Authorized Denomination.

**Optional Redemption.** At the option of the Issuer, the Notes will be subject to redemption and payment prior to maturity on June 1, 2019, and thereafter, as a whole or in part (selection of the amount of Notes to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

**Notice and Effect of Call for Redemption.** Unless waived by any owner of Notes to be redeemed, if the Issuer shall call any Notes for redemption and payment prior to the maturity thereof, the Issuer shall give written notice of its intention to call and pay said Notes to the Note Registrar and the Successful Bidder. In addition, the Issuer shall cause the Note Registrar to give written notice of redemption to the registered owners of said Notes. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the Redemption Date. All notices of redemption shall state the Redemption Date, the redemption price, the Notes to be redeemed, the place of surrender of Notes so called for redemption and a statement of the effect of the redemption. The Issuer shall also give such additional notice as may be required by State law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Note be called for redemption and payment as aforesaid, all interest on such Note shall cease from and after the Redemption Date, provided funds are available for its payment at the price hereinbefore specified.

**Authority, Purpose and Security.** The Notes are being issued pursuant to K.S.A. 10-123, and K.S.A. 12-6a01 *et seq.*, as amended, and a resolution adopted by the Governing Body (the “Note Resolution”) for the purpose of paying a portion of the cost of certain drainage, sanitary sewer, street, and water improvements that are within a defined benefit district (the “Improvements”). The Notes shall be general obligations of the Issuer payable as to both principal and interest from special assessments levied upon the property benefited by the construction of said Improvements or 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 irrevocably pledged for the prompt payment of the principal and interest on the Notes as the same become due.

**Submission of Bids.** Facsimile and written bids must be made on forms which may be procured from the Clerk or the Financial Advisor and shall be addressed to the undersigned, and marked “Proposal for General Obligation Temporary Notes, Series 2018.” Written bids must be submitted in writing in sealed envelopes, by mail or hand delivered. Facsimile bids should not be preceded by a cover sheet and should be sent only once to (316) 265-5403. Confirmation of receipt of facsimile bids may be made by contacting the Financial Advisor at the number listed below. Electronic bids via PARITY® must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice of Note Sale. **Any bid submitted shall include the initial offering prices to the public for the Notes.** If provisions of this Notice of Note Sale conflict with those of PARITY®, this Notice of Note Sale shall control. Bids must be received prior to the Submittal Hour on the Sale Date. The Issuer and Financial Advisor shall not be responsible for failure of transmission of facsimile or delivery by mail or in person of any bid.

**PARITY®.** Information about the electronic bidding services of PARITY® may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

**Conditions of Bids.** Proposals will be received on the Notes bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Notes; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by **THE BOND BUYER**, in New York, New York, on the Monday next preceding the day on

which the Notes are sold, plus 4%; and (c) no supplemental interest payments will be considered. No bid shall be for less than **99%** of the principal amount of the Notes and accrued interest thereon to the date of delivery will be considered. Each bid shall specify the total interest cost (expressed in dollars) during the term of the Notes on the basis of such bid, and the average annual net interest rate (expressed as a percentage) on the basis of such bid. Each bidder shall certify to the Issuer the correctness of the information contained on the Official Bid Form; the Issuer will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the Notes, it will provide the certification described under the caption “Establishment of Issue Price” in this Notice.

**Basis of Award.** The award of the Notes will be made on the basis of the lowest net interest cost (expressed in dollars), which will be determined by subtracting the amount of the premium bid, if any, from or adding the amount of the discount bid, if any, to the total interest cost to the Issuer. The Issuer or its Financial Advisor will compute the net interest cost based on such bids. If there is any discrepancy between the net interest cost specified and the interest rates specified, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest net interest cost are received, the governing body of the Issuer will determine which bid, if any, will be accepted, and its determination is final.

The Issuer reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any bid received after the Submittal Hour on the Sale Date will be returned to the bidder. Any disputes arising hereunder shall be governed by the laws of the State, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within the State with regard to such dispute.

The Issuer’s acceptance, including electronic acceptance through PARITY®, of the Successful Bidder’s proposal for the purchase of the Notes in accordance with this Notice of Note Sale shall constitute a note purchase agreement between the Issuer and the Successful Bidder for purposes of the laws of the State and a contract between the Issuer and the Successful Bidder for the purposes of Rule G-32 of the Municipal Securities Rulemaking Board (“Rule G-32”). The method of acceptance shall be determined solely by the Governing Body.

**Ratings.** The Issuer has **not** applied for a rating on the Notes herein offered for sale.

**Optional Bond Insurance.** The Issuer has **not** applied for any policy of municipal bond insurance with respect to the Notes, and will not pay the premium in connection with any policy of municipal bond insurance desired by the Successful Bidder. In the event a bidder desires to purchase and pay all costs associated with the issuance of a policy of municipal bond insurance in connection with the Notes, such indication and the name of the desired insurer must be set forth on the bidder's Official Bid Form, and shall specify all terms and conditions to which the Issuer will be required to agree in connection with the issuance of such insurance policy. The Issuer specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest net interest cost to the Issuer.

**CUSIP Numbers.** CUSIP identification numbers will be assigned and printed on the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes in accordance with the terms of this Notice. All expenses in relation to the assignment and printing of CUSIP numbers on the Notes will be paid by the Issuer.

**Delivery and Payment.** The Issuer will pay for printing the Notes and will deliver the Notes properly prepared, executed and registered without cost on or about **JUNE 1, 2018** (the “Closing Date”),

at DTC for the account of the Successful Bidder or at such bank or trust company in the contiguous United States of America as may be specified by the Successful Bidder, or elsewhere at the expense of the Successful Bidder. The Successful Bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Notes and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Notes affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Notes shall be made in federal reserve funds, immediately available for use by the Issuer. The Issuer will deliver one Note of each maturity registered in the nominee name of DTC.

### **Establishment of Issue Price.**

(a) In order to provide the Issuer with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively the “Code”), the Successful Bidder will be required to assist the Issuer in establishing the “issue price” of the Notes and complete, execute and deliver to the Issuer prior to the Closing Date, a written certification in a form acceptable to the Successful Bidder, the Issuer and Bond Counsel (the “Issue Price Certificate”) containing the following for the Notes: (1) the interest rate; (2) the reasonably expected initial offering price to the “public” (as said term is used in Treasury Regulation Section 1.148-1(f) (the “Regulation”)) or the sale price; and (3) pricing wires or equivalent communications supporting such offering or sale price. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the Notes for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Notes for sale to the public. Any action to be taken or documentation to be received by the Issuer pursuant hereto may be taken or received by the Financial Advisor or Bond Counsel on behalf of the Issuer.

(b) The Issuer intends that the sale of the Notes pursuant to this Notice shall constitute a “competitive sale” as defined in the Regulation. In support thereof: (1) the Issuer shall cause this Notice to be disseminated to potential bidders in a manner reasonably designed to reach potential bidders; (2) all bidders shall have an equal opportunity to submit a bid; (3) the Issuer reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Notes; and (4) the Issuer anticipates awarding the sale of the Notes to the bidder that provides a bid with the lowest NIC in accordance with the section hereof entitled “Basis of Award.”

(c) Any bid submitted pursuant to this Notice shall be considered a firm offer for the purchase of the Notes as specified therein. The Successful Bidder shall constitute an “underwriter” as said term is defined in the Regulation. By submitting its bid, the Successful Bidder confirms that it shall require any agreement among underwriters, a selling group agreement or other agreement to which it is a party relating to the initial sale of the Notes, to include provisions requiring compliance with provisions of the Code and the Regulation regarding the initial sale of the Notes.

(d) If all of the requirements of a “competitive sale” are not satisfied, the Issuer shall advise the Successful Bidder of such fact at the time of award of the sale of the Notes to the Successful Bidder and the following provisions shall apply to the Notes. ***In such event, any bid submitted will not be subject to cancellation or withdrawal.*** Within twenty-four (24) hours of the notice of award of the sale of the Notes, the Successful Bidder shall advise the Issuer if a “substantial amount” (as defined in the Regulation (10%)) of Notes has been sold to the public and the price at which such substantial amount was sold. The Issuer will treat such sale price as the “issue price” for the Notes. The Issuer will ***not*** require the Successful Bidder to comply with that portion of the Regulation commonly described as the “hold-the-offering-price” requirement for the Notes, but the Successful Bidder may elect such option. If the Successful Bidder exercises such option, the Issuer will apply the initial offering price to the public



provided in the bid as the issue price for the Notes. If the Successful Bidder does not exercise that option, it shall thereafter promptly provide the Issuer the prices at which a substantial amount of the Notes are sold to the public; provided such determination shall be made and the Issuer notified of such prices not later than three (3) business days prior to the Closing Date. ***Any change in the issue price of any of the Notes after the Submittal Hour will not affect the purchase price for the Notes submitted in the bid of the Successful Bidder.***

(e) This agreement by the Successful Bidder to provide such information will continue to apply after the Closing Time if: (a) the Issuer requests the information in connection with an audit or inquiry by the Internal Revenue Service (the “IRS”) or the Securities and Exchange Commission (the “SEC”) or (b) the information is required to be retained by the Issuer pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

**Preliminary Official Statement and Official Statement.** The Issuer has prepared a Preliminary Official Statement dated April \_\_, 2018, copies of which may be obtained from the Clerk or from the Financial Advisor. Upon the sale of the Notes, the Issuer will adopt the final Official Statement and will furnish the Successful Bidder, without cost, with a sufficient number of copies thereof, which may be in electronic format, in order for the Successful Bidder to comply with the requirements of Rule G-32. Additional copies may be ordered by the Successful Bidder at its expense.

**Continuing Disclosure.** The Securities and Exchange Commission (the “SEC”) has promulgated amendments to its Rule 15c2-12 (the “Rule”) requiring continuous secondary market disclosure for certain issues. The Issuer is relying on a provision of the Rule that exempts issues of less than \$1,000,000 aggregate principal amount from the requirements of the Rule and therefore has **not** covenanted to provide continuous secondary market disclosure. However, the Issuer obtains an audit of its annual financial statements by independent auditors, and presently intends to supply its most recent audited financial statements to any Registered Owner upon written request and reimbursement to the Issuer of the costs of the photocopying and mailing. The absence of continuing disclosure of financial or other information pertaining to the Issuer may impair the development of a secondary market for the Notes and could impair the ability of a Registered Owner to sell the Notes in the secondary market.

**Assessed Valuation and Indebtedness.** The total assessed valuation of the taxable tangible property within the Issuer for the year 2017 is as follows:

Equalized Assessed Valuation of	
Taxable Tangible Property .....	[\$_____]
Tangible Valuation of Motor Vehicles.....	[_____]
Equalized Assessed Tangible Valuation	
for Computation of Bonded Debt Limitations .....	[\$_____]

The total general obligation indebtedness of the Issuer as of the Dated Date, including the Notes being sold, is \$5,193,000.

**Legal Opinion.** The Notes will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel to the Issuer, which opinion will be furnished and paid for by the Issuer, will be printed on the Notes, if the Notes are printed, and will be delivered to the Successful Bidder when the Notes are delivered. Said opinion will also include the opinion of Bond Counsel relating to the interest on the Notes being excludable from gross income for federal income tax purposes and exempt from income taxation by the State of Kansas. Reference is made to the Preliminary

Official Statement for further discussion of federal and Kansas income tax matters relating to the interest on the Notes.

**Additional Information.** Additional information regarding the Notes may be obtained from the undersigned, or from the Financial Advisor, at the addresses set forth below:

**DATED: April 10, 2018.**

**CITY OF CLEARWATER, KANSAS**  
By: Courtney Meyer, Clerk

***Issuer Address:***

City Hall, 129 E. Ross  
P.O. Box 453  
Clearwater, Kansas 67026  
Attn: Courtney Meyer, Clerk  
Phone No.: (620) 584-2311  
Fax No.: (620) 584-3119  
Email: meyc@clearwaterks.org

***Financial Advisor – Written and Facsimile Bid Delivery Address:***

Ranson Financial Group, LLC  
200 W. Douglas, Suite 600  
Wichita, Kansas 67202  
Attn: John Haas  
Phone No.: (316) 264-3400  
Fax No.: (316) 265-5403  
Email: jhaas@ransonfinancial.com

**OFFICIAL BID FORM**  
**PROPOSAL FOR THE PURCHASE OF CITY OF CLEARWATER, KANSAS**  
**GENERAL OBLIGATION TEMPORARY NOTES**

TO: Courtney Meyer, Clerk  
 City of Clearwater, Kansas

May 8, 2018

For \$752,000\* principal amount of General Obligation Temporary Notes, Series 2018, of the City of Clearwater, Kansas, to be dated June 1, 2018, as described in your Notice of Note Sale dated April 10, 2018 (the "Notice"), said Notes to bear interest as follows:

<b>Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Initial Offering</b>
<b><u>June 1</u></b>	<b><u>Amount*</u></b>	<b><u>Rate</u></b>	<b><u>Price</u></b>
2021	\$752,000	_____ %	_____ %

\* Subject to change, see the Notice

the undersigned will pay the purchase price for the Notes set forth below, plus accrued interest to the date of delivery.

Principal Amount .....	\$752,000*
Less Discount (not to exceed 1.00%) .....	- _____
Plus Premium (if any) .....	_____
Total Purchase Price .....	\$ _____
Total interest cost to maturity at the rate(s) specified .....	\$ _____
Net interest cost .....	\$ _____
Average annual net interest rate .....	_____ %

This proposal is subject to all terms and conditions contained in the Notice, and if the undersigned is the Successful Bidder, the undersigned will comply with all of the provisions contained in the Notice. The acceptance of this proposal by the Issuer by execution below shall constitute a contract between the Issuer and the Successful Bidder and a note purchase agreement for purposes of the laws of the State of Kansas.

Submitted by: \_\_\_\_\_

(LIST ACCOUNT MEMBERS ON REVERSE)

By: \_\_\_\_\_  
 Telephone No. (\_\_\_\_\_) \_\_\_\_\_

**ACCEPTANCE**

Pursuant to action duly taken by the Governing Body of the City of Clearwater, Kansas, the above proposal is hereby accepted on May 8, 2018.

Attest:

\_\_\_\_\_  
 Clerk

\_\_\_\_\_  
 Mayor

**NOTE:** No additions or alterations in the above proposal form shall be made, and any erasures may cause rejection of any bid. Sealed and facsimile bids may be filed with Ranson Financial Group, LLC, Fax No. (316) 265-5403 or electronic bids may be submitted via **PARITY**®, at or prior to 11:00 A.M., applicable Central Time, on May 8, 2018. Any bid received after such time will not be accepted or shall be returned to the bidder.

