

RESOLUTION NO. 2012-05

RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012, OF THE CITY OF BALDWIN CITY, KANSAS.

WHEREAS, the Issuer has arranged for financing of the Improvements by the execution of a loan agreement described as follows:

| <u>Lender</u> | <u>Loan No.</u> | <u>Maturity Date</u> | <u>Original Amount</u> | <u>Outstanding Amount</u> | <u>Redemption Date*</u> |
|---------------|------------------|----------------------|------------------------|---------------------------|-------------------------|
| KDHE | KPWSLF loan 2321 | 8/1/2024 | \$1,599,236.21 | \$1,129,577.41 | June 15, 2012 |

* or as soon thereafter as possible

(the "Loan"); and

WHEREAS, the Issuer desires to issue its general obligation bonds in order to permanently finance the costs of such Improvements and to retire the Loan; and

WHEREAS, the Issuer, hereby selects the firm of Springsted Incorporated, Kansas City, Missouri ("Financial Advisor"), as financial advisor for one or more series of general obligation bonds of the Issuer to be issued in order to provide funds to permanently finance the Improvements and to retire the Loan; and

WHEREAS, the Issuer desires to authorize the Financial Advisor to proceed with the offering for sale of said general obligation bonds and related activities; and

WHEREAS, one of the duties and responsibilities of the Issuer is to prepare and distribute an official statement relating to said general obligation bonds; and

WHEREAS, the Issuer desires to authorize the Financial Advisor and Gilmore & Bell, P.C., Wichita, Kansas ("Bond Counsel"), in conjunction with the Clerk, to proceed with the preparation and distribution of an official statement and notice of bond sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation bonds.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF BALDWIN CITY, KANSAS, AS FOLLOWS:

Section 1. The Issuer is hereby authorized to offer for sale the Issuer's General Obligation Refunding Bonds, Series 2012 (the "Bonds") described in the Notice of Bond Sale, which is hereby approved in substantially the form presented to the governing body this date.

Section 2. The Mayor and Clerk in conjunction with the Financial Advisor and Bond Counsel, are hereby authorized to cause to be prepared an 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 Bonds.

Section 3. The Clerk, in conjunction with the Financial Advisor and Bond Counsel, is hereby authorized and directed to give notice of said bond sale by publishing a Notice of Intent to Seek Private Placement before the date of the bond sale in a newspaper of general circulation in Douglas County, Kansas, and the *Kansas Register* and by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in said Notice of Bond Sale, and shall be delivered to the governing body at its meeting to be held on such date, at which meeting the governing body shall review such bids and shall award the sale of the Bonds or reject all proposals.

Section 4. For the purpose of enabling the purchaser of the Bonds (the “Purchaser”) to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Mayor and Clerk or other appropriate officers of the Issuer are hereby authorized: (a) to approve the form of said Official Statement, and to execute the “Certificate Deeming Official Statement Final” 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; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

Section 5. The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds 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 the Rule and 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 Bonds. Such officials are also directed and authorized to provide notice of, and make provision for, prepayment of the Loan from proceeds of the Bonds.

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 3, 2012.



[Handwritten Signature]
Clerk

[Handwritten Signature]
Mayor

EXHIBIT A

**CERTIFICATE DEEMING
OFFICIAL STATEMENT FINAL**

April 3, 2012

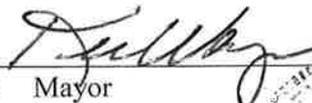
To: _____

Re: \$1,185,000 City of Baldwin City, Kansas, General Obligation Refunding Bonds,
Series 2012

The undersigneds are the duly acting Mayor and Clerk of the City of Baldwin City, Kansas (the "Issuer"), and are authorized to deliver this Certificate to the addressee (the "Purchaser") on behalf of the Issuer. The Issuer has heretofore caused to be delivered to the Purchaser copies of the Official Statement (the "Official Statement"), relating to the above-referenced bonds (the "Bonds").

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Issuer hereby deems the information regarding the Issuer contained in the Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, 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 Bonds depending on such matters.

CITY OF BALDWIN CITY, KANSAS

By: 
Title: Mayor

By: 
Title: Clerk



NOTICE OF BOND SALE

\$1,185,000*

CITY OF BALDWIN CITY, KANSAS

**GENERAL OBLIGATION REFUNDING BONDS
SERIES 2012**

(GENERAL OBLIGATION REFUNDING BONDS PAYABLE
FROM UNLIMITED AD VALOREM TAXES)

Bids. Written and electronic (as explained below) bids for the purchase of the above-referenced bonds (the “Bonds”), of the City of Baldwin City, Kansas (the “Issuer”) herein described will be received on behalf of the undersigned Clerk of the Issuer, in the case of written bids, at the address hereinafter set forth, and in the case of electronic bids, via PARITY® until 11:00 a.m., Central Time (the “Submittal Hour”), on

June 4, 2012

(the “Sale Date”). All bids will be publicly evaluated at said time and place and the award of the Bonds will be acted upon by the governing body at its meeting to be held at 7:30 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 Official Statement relating to the Bonds.

Terms of the Bonds. The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). The Bonds will be dated June 15, 2012 (the “Dated Date”), and will become due in principal installments on August 1 in the years as follows:

| <u>Year</u> | <u>Principal Amount</u> | <u>Year</u> | <u>Principal Amount</u> |
|-------------|-----------------------------|-------------|-----------------------------|
| 2012 | \$45,000 | 2019 | \$95,000 |
| 2013 | 90,000 | 2020 | 95,000 |
| 2014 | 90,000 | 2021 | 100,000 |
| 2015 | 90,000 | 2022 | 100,000 |
| 2016 | 90,000 | 2023 | 105,000 |
| 2017 | 90,000 | 2024 | 105,000 |
| 2018 | 90,000 | | |

The Bonds will bear interest from the Dated Date at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on February 1 and August 1 in each year, beginning on August 1, 2012 (the “Interest Payment Dates”).

Adjustment of Issue Size. The Issuer reserves the right to increase or decrease the total principal amount of the Bonds, depending on prepayments of special assessments. The principal amount of any maturity may be adjusted by the Issuer in order to properly size the Bond issue based on the prepaid

special assessments. 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 Bonds or principal of any maturity as described herein. If there is an increase or decrease in the final aggregate principal amount of the Bonds 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., central standard time, on the business day immediately following the Sale Date. The actual purchase price for the Bonds shall be calculated by applying the percentage of par value bid by the successful bidder against the final aggregate principal amount of the Bonds, as adjusted, plus accrued interest from the date of the Bonds to the date of delivery.

Place of Payment. The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The principal of each Bond will be payable at maturity or earlier redemption to the owners thereof whose names are on the registration books (the “Bond Register”) of the Bond Registrar (the “Registered Owner”) upon presentation and surrender at the principal office of the Paying Agent. Interest on each Bond will be payable to the Registered Owner of such Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the “Record Date”): (a) mailed by the Paying Agent to the address of such Registered Owner as 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 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.

Bond Registration. The Bonds will be registered pursuant to a plan of registration approved by the Issuer and the Attorney General of the State of Kansas. The Issuer will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the Owners.

Book-Entry-Only System. The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the Bonds. The Bonds will initially be issued exclusively in “book entry” form and 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 Bonds. During the term of the Bonds, 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 Bonds to DTC or its nominee as the Registered Owner of the Bonds, 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 Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds 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 Bonds, or (b) the Issuer determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, 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 Bonds in the form of fully registered certificates. Reference is made to the Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

General. Whenever the Issuer is to select Bonds for the purpose of redemption, it will, in the case of Bonds in denominations greater than the 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 fully registered Bond as though it were a separate Bond in the minimum Authorized Denomination.

Optional Redemption. At the option of the Issuer, Bonds maturing on October 1 in the years 2021, and thereafter, will be subject to redemption and payment prior to maturity on August 1, 20___, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Mandatory Redemption. A bidder may elect to have all or a portion of the Bonds scheduled to mature in consecutive years issued as term bonds (the "Term Bonds") scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable paragraph on the Official Bid Form or completing the applicable information on PARITY®.

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 maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Successful-Bidder. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the registered owners of said Bonds. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the date fixed for redemption. All notices of redemption shall state the date of redemption, the redemption price, the Bonds to be redeemed, the place of surrender of Bonds 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 Kansas law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Bond be called for redemption and payment as aforesaid, all interest on such Bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

10. Valuation. The total assessed valuation of the taxable tangible property within the Issuer for the year 2011, is as follows:

| | |
|---|--------------|
| Equalized Assessed Valuation of | |
| Taxable Tangible Property | \$31,019,145 |
| Tangible Valuation of Motor Vehicles (2010) | 3,809,792 |
| Equalized Assessed Tangible Valuation | |
| for Computation of Bonded Debt Limitations | \$34,828,937 |

The total general obligation indebtedness of the Issuer as of the Dated Date, including the Bonds being sold, is \$13,405,000.

Legal Opinion. The Bonds will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel, which opinion will be furnished and paid for by the Issuer, will be printed on the Bonds, if the Bonds are printed, and will be delivered to the Successful Bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond Counsel

relating to the interest on the Bonds being excluded from gross income for federal income tax purposes and exempt from income taxation by the State. Reference is made to the Preliminary Official Statement for further discussion of federal and Kansas income tax matters relating to the interest on the Bonds.

Additional Information. Additional information regarding the Bonds may be obtained from the Financial Advisor at the addresses set forth below:

DATED: April 3, 2012.

CITY OF BALDWIN CITY, KANSAS
By Darcy Higgins, Clerk

Issuer Address:

803 Eighth St., P.O. Box 86
Baldwin City, Kansas 66006-0086
Phone No.: (785) 594-6427
Fax No.: (785) 594-6586
E-mail: dhiggins@baldwincity.org

Financial Advisor - Facsimile Bid and Good Faith Deposit Address:

Springsted Incorporated, Attn: Bond Services
380 Jackson Street, Suite 300
St. Paul, Minnesota 55101-2887
Phone No. (651) 223-3000
Fax No. (651) 223-3046
Email: bond_services@springsted.com

NOTICE OF INTENT TO SEEK PRIVATE PLACEMENT
CITY OF BALDWIN CITY, KANSAS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012

Notice is hereby given that the City of Baldwin City, Kansas (the "Issuer") proposes to seek a private placement of the above-referenced bonds (the "Bonds"). The maximum aggregate principal amount of the Bonds shall not exceed \$1,185,000. The proposed sale of the Bonds is in all respects subject to approval of a bond purchase agreement between the Issuer and the purchaser of the Bonds and the passage of an ordinance and adoption of a resolution by the governing body of the Issuer authorizing the issuance of the Bonds and the execution of various documents necessary to deliver the Bonds.

DATED: April 3, 2012.

Darcy Higgins, Clerk

KANSAS REGISTER

DOCUMENT NO. _____

(Above space for Register Office Use)

Submission Form
Municipal Bond Sale Notice
(K.S.A. 10-106 as amended)

TITLE OF DOCUMENT SUMMARY NOTICE OF BOND SALE

Re: City of Baldwin City, Kansas, General Obligation Refunding Bonds, Series 2012, Dated May 15, 2012.

NUMBER OF PAGES _____ DESIRED PUBLICATION DATE April 19, 2012

BILL TO: Ms. Darcy Higgins, City Clerk
BALDWIN CITY, KANSAS
803 Eighth St., P.O. Box 86
Baldwin City, Kansas 66006-0086

Please forward 2 Affidavits of Publication of same to Ms. Deanna Pumpelly, Gilmore & Bell, P.C., 100 North Main, Suite 800, Wichita, KS 67202 at your earliest opportunity.

Any questions regarding this document should be directed to:

NAME DEANNA PUMPELLY PHONE (316) 267-2091

Certification

I hereby certify that I have reviewed the attached and herein described document, and that it conforms to all applicable *Kansas Register* publication guidelines. I further certify that submission of this item for publication in the *Kansas Register* is authorized by the municipality which has issued the notice.

Authorized Signature

Deanna Pumpelly
Typed Name of Signer

Legal Assistant
Position

TRANSMIT TO: Kansas Register; Secretary of State; State Capitol, Topeka, KS 66612
PHONE: (785) 296-3489; FAX: (785) 291-3051; EMAIL: nancyr@kssos.org

THIS SPACE FOR REGISTER OFFICE USE ONLY

OFFICIAL BID FORM
PROPOSAL FOR THE PURCHASE OF CITY OF BALDWIN CITY, KANSAS
GENERAL OBLIGATION REFUNDING BONDS

TO: Darcy Higgins, Clerk
 City of Baldwin City, Kansas

May 7, 2012

For \$1,185,000* principal amount of General Obligation Refunding Bonds, Series 2012, of the City of Baldwin City, Kansas, to be dated June 15, 2012, as described in your Notice of Bond Sale dated April 2, 2012, said Bonds to bear interest as follows:

| <u>Stated Maturity August 1</u> | <u>Principal Amount</u> | <u>Annual Rate of Interest</u> | <u>Stated Maturity August 1</u> | <u>Principal Amount</u> | <u>Annual Rate of Interest</u> |
|---------------------------------|-------------------------|--------------------------------|---------------------------------|-------------------------|--------------------------------|
| 2012 | \$45,000 | _____ % | 2019 | \$95,000 | _____ % |
| 2013 | 90,000 | _____ % | 2020 | 95,000 | _____ % |
| 2014 | 90,000 | _____ % | 2021 | 100,000 | _____ % |
| 2015 | 90,000 | _____ % | 2022 | 100,000 | _____ % |
| 2016 | 90,000 | _____ % | 2023 | 105,000 | _____ % |
| 2017 | 90,000 | _____ % | 2024 | 105,000 | _____ % |
| 2018 | 90,000 | _____ % | | | |

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

| | |
|---|--------------|
| Principal Amount | \$1,185,000* |
| Less Discount (not to exceed 0.775%)..... | - |
| Plus Premium (if any) | _____ |
| Total Purchase Price | \$ _____ |
| Total interest cost to maturity at the rates specified | \$ _____ |
| Net interest cost (adjusted for Discount and/or Premium)..... | \$ _____ |
| Average annual net interest rate | _____ % |
| True Interest Cost | _____ % |

The Bidder elects to have the following Term Bonds:

| <u>Maturity Date</u> | <u>Years</u> | <u>Amount*</u> |
|----------------------|----------------|----------------|
| October 1, _____ | _____ to _____ | \$ _____ |
| October 1, _____ | _____ to _____ | \$ _____ |

*subject to mandatory redemption requirements in the amounts and at the times shown above.

This proposal is subject to all terms and conditions contained in said Notice of Bond Sale, and if the undersigned is the Successful Bidder, the undersigned will comply with all of the provisions contained in said Notice. A cashier's or certified check, a wire transfer or a qualified financial surety bond in the amount of \$23,700 payable to the order of the Issuer, accompanies this proposal as an evidence of good faith. The acceptance of this proposal by the Issuer shall constitute a contract between the Issuer and the Successful Bidder for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission and a bond purchase agreement for purposes of the laws of Kansas.

Submitted by: _____

[LIST ACCOUNT MEMBERS ON REVERSE]

Telephone No. (____) _____

ACCEPTANCE

Pursuant to action duly taken by the Governing Body of the City of Baldwin City, Kansas, the above proposal is hereby accepted on June 4, 2012.

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 bids may be filed with the Financial Advisor Springsted Incorporated, Attn: Bond Services, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101-2887, Fax No. (651) 223-3046, Email: bond_services@springsted.com, or electronic bids may be submitted via **PARITY**[®], at or prior to 11:00 a.m., Central Daylight Time, on June 4, 2012. Any bid received after such time will not be accepted or shall be returned to the bidder.

* Preliminary; subject to change.