

KANSAS REGISTER



State of Kansas

JACK H. BRIER
Secretary of State

Vol. 1, No. 27

July 8, 1982

Pages 815-828

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State of Kansas

LEGISLATURE

INTERIM AGENDA

Following is a listing of meetings which are scheduled for the period of July 12 through July 23, 1982. All meetings are to be held in the Statehouse in Topeka unless otherwise indicated.

DATE	ROOM	TIME	COMMITTEE	AGENDA
July 12	123-S	10:00 A.M.	Special Committee on Data Processing	Review of DISC Operations
July 14	Salina	10:00 A.M.	Special Committee on Ways and Means	Initial consideration of all proposals with concentration on Proposal No. 30—(Affiliated Family Practice Program).
July 15	Salina	9:00 A.M.		
July 15	526-S	10:00 A.M.	Special Committee on Assessment and Taxation	15th: Hearings on Proposal Nos. 2, 4, 5 and 6.
July 16	526-S	9:00 A.M.		16th: Hearing on Proposal No. 3
July 16	531-N	10:00 A.M.	Special Committee on Public Health and Welfare	Staff review of Proposal No. 28
July 19	123-S	10:00 A.M.	Joint Committee on Administrative Rules and Regulations	Complete 5-year review of Department of Revenue
July 20	123-S	9:00 A.M.		
July 20	531-N	10:00 A.M.	Social & Rehabilitation Services Review Commission	1st day (A.M.) SRS Operations, Fraud Unit: (P.M.), Dietitians & Alternative Family Home. 2d Day (A.M.) SRS Training Center, (P.M.) Room 531-S. Alternate Family Home.
July 21	531-N	9:00 A.M.		
July 22	527-S	10:00 A.M.	Special Committee on Commercial and Financial Inst.	Staff presentation and hearings on Proposal No. 7.
July 23	527-S	9:00 A.M.		
July 23	519-S	10:00 A.M.	Special Committee on Local Government	Staff review of Proposal Nos. 24, 15 and 26.

WILLIAM R. BACHMAN
Director of Legislative
Administrative Services

Doc. No. 000430

The *Kansas Register* is an official publication of the State of Kansas, published by authority of K.S.A. 1981 Supp. 75-430. The *Kansas Register* is published weekly by the Kansas Secretary of State; State Capitol; Topeka, Kansas 66612. One-year subscriptions are \$47.50; single copies may be purchased, if available, for \$2.00 each. Second class postage paid at Topeka, Kansas.

ISSN No. 0744-2254.

Postmaster: Send change of address form to *Kansas Register*; Secretary of State; State Capitol; Topeka, Kansas 66612.

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PUBLISHED BY
JACK H. BRIER
Secretary of State
State Capitol
Topeka, Kansas 66612



PHONE: 913/296-2236

Carol A. Bell
Publications Director

State of Kansas

SOCIAL AND REHABILITATION SERVICES**NOTICE OF QUARTERLY MEETING OF THE
KANSAS CITIZENS ADVISORY COMMITTEE ON
ALCOHOL AND OTHER DRUG ABUSE**

The quarterly meeting of the Kansas Citizens Advisory Committee on Alcohol and Other Drug Abuse will be July 16 in Dodge City. The public meeting will begin at 8:30 a.m. in the Hereford Room of the Silver Spur Lodge, 1510 W. Wyatt Earp Blvd. Some of the items to be included on the agenda are: the installation of the new officers for the coming year; review of the legislative activities as they pertain to the alcohol and drug field; and a report from the Governor's Committee on Drinking and Driving.

DR. LORNE A. PHILLIPS

Commissioner of Alcohol and Drug Abuse Services
Social and Rehabilitation Services

Doc. No. 000448

State of Kansas

SOCIAL AND REHABILITATION SERVICES**DEPARTMENT BUDGET HEARINGS**

Notice is hereby given to all interested parties that the Department of Social and Rehabilitation Services will hold budget hearings for FY 1984 on July 13, 14 and 15 in the Board Room, 6th floor, State Office Building. The schedule for the hearings is as follows:

- July 13— 9:00-10:00—Mental Hospitals including Youth Center at Osawatomie State Hospital and Larned State Hospital
10:00-11:00—Mental Retardation Facilities
11:00-12:00—Central Office Mental Health/Mental Retardation Community Program Funding
1:30- 2:30—Alcohol and Drug Abuse Services
2:45- 5:00—Rehabilitation Programs
July 14— 9:00-10:00—Youth Facilities
10:00-11:00—Social Services Block Grant
11:00-12:00—Adult Services
1:30- 2:30—State Economic Opportunity Office
3:00- 5:00—Youth Services
July 15— 9:00-12:00—Public Assistance, Food Programs
1:00- 4:00—Medical Programs

ROBERT C. HARDER, Secretary
Social and Rehabilitation Services

Doc. No. 000447

State of Kansas

**DEPARTMENT OF HEALTH
AND ENVIRONMENT****PUBLIC NOTICE**

The following Certificate of Need Application has been filed by the Kansas Department of Health and Environment for initiation of the formal ninety (90) day review cycle. The application will be available for public examination at the Health Systems Agency of Southeast Kansas, Inc., 355 North Waco, Suite 209, Wichita, Kansas, and the Kansas Department of Health and Environment, Forbes Field, Topeka, Kansas.

DATE FILED: June 28, 1982

NAME OF

APPLICANT: Pease and Smith Associates
TYPE OF

PROJECT: Ambulatory Surgery Center
LOCATION: Hutchinson, Kansas

JOSEPH F. HARKINS
Secretary

Doc. No. 000441

State of Kansas

**DEPARTMENT OF
HEALTH AND ENVIRONMENT****PUBLIC NOTICE**

The following Certificate of Need Application has been filed by the Kansas Department of Health and Environment for initiation of the formal ninety (90) day review cycle. The application will be available for public examination at the Office of Health Planning, Kansas Department of Health and Environment, Forbes Field, Topeka, Kansas.

DATE FILED: June 28, 1982

NAME OF

APPLICANT: Excepticon Midwest, Inc.
TYPE OF

PROJECT: 96-Bed Psychiatric Hospital
LOCATION: 117th and Quivera Road
Overland Park, Kansas

JOSEPH F. HARKINS
Secretary

Doc. No. 000453

State of Kansas**POOLED MONEY INVESTMENT BOARD****NOTICE TO BANKS AND TRUST COMPANIES
IN THE STATE OF KANSAS**

Notice is hereby given pursuant to K.S.A. 1981 Supp. 75-4208 that on the 15th day of July, 1982, at 2:00 P.M., sealed proposals will be received and opened by the Pooled Money Investment Board for the deposit of state moneys in active and inactive accounts. Such proposals may be made by any eligible bank or trust company on forms which shall be prepared by the board and approved by the attorney general. Such forms may be obtained from the office of the Pooled Money Investment Board, Post Office Box 2608, Topeka, Kansas 66601.

Proposals should be addressed to: "Pooled Money Investment Board, Post Office Box 2608, Topeka, Kansas 66601." The following should be designated on the envelope: "Proposal for State Deposit."

POOLED MONEY INVESTMENT BOARD

Joan Finney, Chairperson
Patrick J. Hurley, Member
Charles E. Marling, Member

Doc. No. 000445

State of Kansas**LEGISLATURE****PUBLIC NOTICE**

The Special Committee on Data Processing has been assigned a review of the current operations and financing of the Division of Information Systems and Computing (DISC) and alternatives for continued legislative oversight, including standards and procedures for legislative evaluation of systems development, structure of the rate base, coordination of agency budget estimates and DISC financing, future growth and cost implications of that growth. Committee members have determined that it is extremely important to solicit input from the state agencies that use DISC services. The Committee takes this opportunity to encourage *all* interested parties to comment, positively or negatively, on any aspect of the state's centralized data processing operation. The Committee strongly feels that such input is a highly important part of this interim study. Comments should be forwarded to the Kansas Legislative Research Department, Room 545-North, Statehouse, Topeka, Kansas, 66612 and should be received no later than August 2, 1982.

WILLIAM R. BACHMAN
Director of Legislative
Administrative Services

Doc. No. 000449

State of Kansas**LEGISLATIVE DIVISION OF POST AUDIT****INVITATION FOR BIDS**

Sealed bids on a Legislative Division of Post Audit Invitation for Bid on a financial and compliance audit of the Surplus Property Program in the Kansas Department of Administration, Topeka, Kansas, will be received until 3:00 p.m. July 23, 1982.

Copies of the Invitation for Bid may be obtained from Vicky S. West, Senior Auditor, Legislative Division of Post Audit, 109 W. 9th Street, Suite 301, Topeka, Kansas 66612.

RICHARD E. BROWN
Legislative Post Auditor

Doc. No. 000444

State of Kansas**STATE CORPORATION COMMISSION****NOTICE OF HEARING**

The State Corporation Commission will hold a public hearing July 23, 1982 at 2:00 p.m. at the Wichita Royale, 125 N. Market, Wichita, Kansas, for the purpose of receiving public comments on proposed temporary regulations K.A.R. 82-2-123, 302 through 310 and 400 through 512.

K.A.R. 82-2-403 is the regulation governing the application, content, notice, objection, hearing and approval of disposal well orders. This rule is being changed to allow the Commission the flexibility to grant exceptions under certain circumstances.

The other regulations mentioned above had their authorization or implementation statute revoked pursuant to 1982 Session Laws, Chapter 228, Section 26. The regulations contain no substantive change except to note that 1982 Session Laws, Chapter 228, Section 3 authorizes the Commission to promulgate rules and regulations.

Copies of the proposed rule change and a copy of the fiscal impact statement can be obtained from the State Corporation Commission, Legal Department, 4th Floor, State Office Building, Topeka, Kansas 66612.

CAROL J. LARSON
Executive Secretary

Doc. No. 000452

**State of Kansas
STATE CORPORATION COMMISSION**

Before Commissioners:

Richard C. (Pete) Loux, Chairman
Jane T. Roy
Phillip R. Dick

In the matter of the general)
investigation into the Inter-)
est Rate paid on Deposits of) Docket No. 134,094-U/
Customers of Municipal and)
Privately Owned Utilities)

ORDER

NOW, the above-captioned matter comes on for consideration and determination by the State Corporation Commission of the State of Kansas (hereinafter Commission) on its own motion. The Commission, having examined its files and records, and being fully advised in the premises, finds and concludes that:

1. The Commission previously considered the subject matter of the appropriate interest to be paid on security deposits in Docket No. 114,337-U. The Commission required that the interest be not less than the interest provided in K.S.A. 12-822. K.S.A. 12-822 currently requires a rate of at least 5% per annum.

2. The 1982 Session of the Kansas Legislature enacted HB 2832 which amended K.S.A. 12-822. Effective July 1, 1982, the amendment requires the Commission to determine the interest rate payable on utility security deposits.

3. The Commission believes that the most effective means for determining interest rates on utility security deposits is to commence a generic investigation for the purpose of gathering information. After a full investigation, the Commission will hold a hearing to allow all interested parties to present evidence.

4. The Staff is directed to review pertinent legal and economic resources, including current interest rate policies of jurisdictional electric, gas and telephone utilities and of municipal utilities. The Staff shall file written recommendations by July 15, 1982, and all interested parties shall be allowed until August 15, 1982, to file written responses. A hearing will be scheduled upon completion of the comment period.

5. The Commission realizes that the schedule established in Paragraph 4 of this Order does not allow for resolution of this matter by the July 1, 1982, effective date of HB 2832. The Commission believes that current interest rate policies should continue in effect during the interim period while a decision is pending in this docket. Continuation of existing policies should not impose any hardship upon customers or utilities during the brief period this matter will be pending.

IT IS, THEREFORE, BY THE COMMISSION ORDERED:

The Commission, on its motion, does hereby undertake a general investigation into the interest rate payable on security deposits for utility services.

The Commission Staff is directed to review pertinent legal and economic records including the current interest rate policies of jurisdictional electric, gas and

telephone utilities, and of municipal utilities. The Staff shall file written recommendations by July 15, 1982.

All interested parties shall have until August 15, 1982, to file written responses to the Staff recommendations.

A hearing shall be scheduled after completion of the comment period for the purpose of the presentation of evidence concerning the appropriate interest rate to be paid on utility security deposits.

The interest rates in effect on the date of this order shall continue in effect until such time as the Commission is able to render a decision in this docket.

The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such order or orders as it may deem necessary and proper.

Dated: June 24, 1982

Loux, Chmn., Roy, Com., Dick, Com.

CAROL J. LARSON
Executive Secretary

SEAL

Doc. No. 000454

**State of Kansas
STATE CORPORATION COMMISSION**

Before Commissioners:

Richard C. (Pete) Loux, Chairman
Jane T. Roy
Phillip R. Dick

In the matter of the general)
investigation of the practices)
of electric, gas, and tele-) Docket No. 134,095-U
phone utilities concerning)
municipal franchise agree-)
ments.)

ORDER

NOW, the above-captioned matter comes on for consideration and determination by the State Corporation Commission of the State of Kansas (hereinafter Commission) on its own motion. The Commission, having examined its files and records, and being fully advised in the premises, finds and concludes that:

1. Under authority of K.S.A. 12-824 and K.S.A. 1981 Supp. 12-2001, most Kansas utilities and many Kansas municipalities have entered into franchise agreements. Although these agreements contain varied terms, all serve the common purpose of providing for the compensation of the municipalities by the utilities in return for the utilities' use of streets, rights of way, and other public conveniences. Ultimately, fees paid to these governmental units are recovered by the utilities through charges to the ratepayers.

2. In recent months the Commission has received a number of formal and informal inquiries raising a number of questions concerning franchise agreements. In September of 1981, the Commission received a request from Southern Kansas Telephone Co. for permission to raise the amount collected to pay the fee or

(continued)

tax required under its franchise agreement with the City of Clearwater. Another formal request was filed by the City of Overland Park in May, 1982, seeking assistance in altering the payment terms of its franchise agreements with certain electric, gas, and telephone utilities. On an informal basis, the Commission has received inquiries from the parties involved in attempted alterations in the franchise agreements between the cities of Atchison and Topeka and certain utilities providing service within the respective boundaries of those cities.

3. As a result of efforts to respond to these inquiries, the Commission has discovered a number of potential concerns. The franchise fee or tax apparently is not uniformly applied to different utilities and to different utility customers. Many franchise agreements are being renegotiated to increase the franchise fee or tax without regard to cost of services provided by the cities, resulting in disparate tax levels across the state. Many franchise agreements contain favored nation clauses which will trigger increased franchise fees or taxes in many municipalities, even though these additional municipalities do not seek an increased franchise fee or tax. These issues raise questions about the equity of rates ultimately paid by the utility customer.

4. In this era of increasing utility costs, the Commission has a responsibility to exercise every available option to ensure that all components of utility costs ultimately paid by the customer are justified. The Commission believes that a timely investigation into the reasonableness of the franchise agreements and into the fees or taxes they impose is necessary.

5. In initiating this investigation, the Commission has a number of specific issues which it desires the parties to address:

- a) Whether franchise tax rates and structures are reasonably related to the original purpose of franchise taxes;
- b) Whether the franchise tax revenues collected reasonably reflect the costs imposed by the utility providing service under the franchise;
- c) Whether existing franchise tax rates and structures unfairly or unduly discriminate against any class or classes of ratepayers;
- d) Whether modification is necessary or desirable for the practices and procedures of negotiation, assessment, collection, and payment of franchise taxes, and if so, whether the Commission should establish guidelines for the same.

6. The Commission staff is directed to review the past and current operation of franchise agreements and of the fees or taxes they impose. In conducting this review, the staff may request information from the jurisdictional electric, gas, and telephone utilities. The staff shall submit its findings and make recommendations which are the product of its investigation.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

The Commission, on its own motion, does hereby undertake a general investigation of the franchise agreements between Kansas municipalities and the jurisdictional electric, gas, and telephone utilities set forth on Appendix A, which is attached hereto.

The Commission staff is directed to review the past and present operation of such franchise agreements and the taxes or fees which they impose.

The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders as it may deem necessary and proper.

Dated: June 24, 1982

Loux, Chmn.; Roy, Com.; Dick, Com.

CAROL J. LARSON
Executive Secretary

SEAL

Doc. No. 000455

State of Kansas

SECRETARY OF STATE

NOTICE OF FORFEITURE

In accordance with K.S.A. 17-7510, the authority of the following foreign corporations to do business in the State of Kansas was forfeited on June 15, 1982 for failure to file an annual report and pay the annual franchise tax, as required by the Kansas General Corporation Code.

Cancelled 6/15/82 for failure to file the 11/30/81 Annual report:

Foreign for Profit

Apeco Corporation, 2454 Dempster Street, Des Plaines, IL.

Art Liquidations, Inc., 293 Turnpike Road, Westborough, MA.

Asco, Inc., 2 North Main Street, Suite 312, Miami, OK.

Big C Construction Co., Inc., Route 3, McKinney, TX.

Centura Securities Corporation, 1108 Guaranty Bank Tower, Corpus Christi, TX.

Godfather's Pizza, Inc., 9144 West Dodge Road, Omaha, NE.

Holiday Rent-A-Car International Inc., 1400-66th Street North, Suite 425, St. Petersburg, FL.

J. Dennis King, Inc., P.O. Box 578, Emporia, KS.

Katana Resources, Inc., P.O. Box 483, 518 South Dewey St., Bartlesville, OK.

Lawler Building Services, Inc., 630 Westover Road, Kansas City, MO.

Mobile Medical Diagnostic Ultrasound of Colorado, 223 N. Wahsatch, #7, Colorado Springs, CO.

National Steel Erectors Corporation, P.O. Box 709, Muskogee, OK.

Oakwood Realty West, Inc., 107 East Gregory, Kansas City, MO.

Pacific Motel Corporation, 3115 North Lincoln Blvd., Oklahoma City, OK.

Paragon Energy Corporation, 2333 Indiana, P.O. Box 700, Kansas City, MO.

Red Roof Inns, Inc., 4355 Davidson Road, Amlin, OH.

R & J Farms of Nebraska, Inc., c/o Ralph Sindt, Rural Route, Riverton, NE.

Sentinel Security of Missouri, Inc., 4801 Cherry Blossom Lane, Hazelwood, MO.

(continued)

SMM Corp., 53364 Marina Drive, Elkhart, IN.
T Bar T Cattle Company, 1301 Main, Woodward,
OK.

Vonhul Construction Company, 11007 East 39th
Street, Independence, MO.

Wilson Tire Service, Inc., 25 N. Council Road, Ok-
lahoma City, OK.

Cancelled 6/15/82 for failure to file the annual report
due after 3/15/82 extension

Foreign for Profit

Siemens-Allis, Inc., 223 Perimeter Center Pkwy,
Attn: Tax Dept., Atlanta, GA

Cancelled 6/15/82 for failure to correct and return
annual report

Foreign for Profit

Donald D. Lambert, Inc., 4420 Chouteau Traffic-
way, Kansas City, MO.

Hill International, Inc., Garden Plaza Building, P.O.
Box 397, Willingboro, MA.

Pancana Industries, Inc., Bow Valley Square One,
202 Sixth Ave. S.W., Calgary, Alberta, Canada

Plant Corner, Inc., 1400 Lindenwood Drive, Olathe,
KS.

Worthington Pump Corporation U.S.A., 100 West
Tenth Street, Wilmington, DE.

W. R. Hartman Company, 4510 Belleview, Suite 234,
Kansas City, MO.

Cancelled 6/15/82 for failure to submit a certificate of
good standing with the annual report

Foreign for Profit

J. L. Brown Lumber Company, Incorporated, Mays-
ville, MO.

Jo-Lynne Enterprises, Inc., 6216 Grandview, Mer-
riam, KS.

Pride Petroleum, Inc., 19 North Main, Perryton, TX.

Sentinel Security of Oklahoma, Inc., 4801 Classen
Blvd., Oklahoma City, OK.

Cancelled 6/15/82 for misrepresentation of name res-
ervation

Foreign for Profit

Reliable Oil Company, 3890 N. Freeway, Suite 4d,
Houston, TX.

JACK H. BRIER
Secretary of State

BY: JOHN R. WINE, JR.
Chief Counsel

Deputy Assistant Secretary of State

Doc. No. 000440

State of Kansas

**DEPARTMENT OF ADMINISTRATION
DIVISION OF PURCHASES**

NOTICE TO BIDDERS

Sealed bids for items hereinafter listed will be re-
ceived by James I. Tolbert, Director of Purchases, State
Office Building, Topeka, Kansas, until 2:00 p.m., CST,
or DST, whichever is in effect on the date indicated,
and then will be publicly opened:

MONDAY, JULY 19, 1982

#25220

Department of Human Resources (Division of Em-
ployment)—JANITORIAL SERVICES, for Kansas
City, Ks.

#25221

Department of Transportation, Topeka—PHOTO-
LOG FILM PROCESSING AND DUPLICATING

#25224

Wichita State University, Wichita—READY MIX
CONCRETE

#50843

University of Kansas, Lawrence—LABORATORY
FREEZER

#50844

Kansas State University, Manhattan—FEED

#50849

Department of Transportation—STROBE LIGHTS,
for Hutchinson and Chanute

#50850

Department of Transportation, Salina—PRESSURE
RELIEF JOINT FILLER

#50856

Kansas State University, Manhattan—MAGNETIC
TAPE SYSTEM

#50858

Social and Rehabilitation Services—WORD PROC-
ESSING SYSTEM, for Wichita Area Office

#50859

Adjutant General's Department, Topeka—FIRE
ALARM SYSTEM, for Nickell Barracks Training
Center, Salina

TUESDAY, JULY 20, 1982

#25225

Wichita State University, Wichita—SMALL ANI-
MAL FEED

#50852

Kansas State Penitentiary, Lansing—SAFETY
GLASS

#50853

University of Kansas Medical Center, Kansas City—
MEDICAL TELEVISION SYSTEM

#50855

Department of Transportation—AB SPECIAL AG-
GREGATE, for Manhattan and Wamego, FOB Desti-
nation

#50857

University of Kansas Medical Center, Kansas City—
SOFTWARE

#50860

Kansas School for The Deaf, Olathe—MICRO
COMPUTER SYSTEM

(continued)

#50861

Kansas State University, Manhattan—BEVERAGE SYRUP, NON-CARBONATED

#50862

Kansas State University, Manhattan—LASER PRINTER

#50863

Department of Social and Rehabilitation Services, Topeka—MUSLIN

#50864

Kansas State University, Manhattan—CAKE SHORTENING

WEDNESDAY, JULY 21, 1982

#25226

University of Kansas Medical Center, Kansas City—BUILDING MATERIALS

#50851

University of Kansas Medical Center, Kansas City—SALE OF SCRAP X-RAY FILM

#50867

Kansas State University, Manhattan—INFRARED DATA STATION

#50868

Kansas Neurological Institute, Topeka—COPIER RENTAL

#50869

Department of Transportation, Topeka—HERBICIDE

#50870

Fort Hays State University, Hays—VIDEO CHARACTER GENERATOR

THURSDAY, JULY 22, 1982

#50871

University of Kansas, Lawrence—MICROCOMPUTER DEVELOPMENT SYSTEM

#50874

Kansas State University, Manhattan—FEED

#50876

Kansas State University, Manhattan—DETECTOR

#50877

Kansas State School For The Deaf, Olathe—KITCHEN EQUIPMENT (DISHWASHER)

#50878

Kansas State Park and Resources Authority—PICNIC TABLES AND PICNIC GRILLS, for Various Locations

FRIDAY, JULY 23, 1982

#50866

Kansas State University, Manhattan—COMPUTER SYSTEM

MONDAY, JULY 26, 1982

#50875

Department of Social and Rehabilitation Services—SPUN BONDED POLYPROPYLENE, for Kansas Industries for The Blind, Kansas City

#50879

University of Kansas, Lawrence—CARPET, PAD AND INSTALLATION

JAMES I. TOLBERT
Division of Purchases

Doc. No. 000443

State of Kansas

ATTORNEY GENERAL

OPINION NO. 82-141

State Departments; Public Officers, Employees—Kansas Open Meetings Act—Notice of Interim Study Committees; *Kansas Register*. Wendell E. Lady, Speaker of the House, Topeka, June 25, 1982.

The Kansas Open Meetings Act requires notice of all regular and special meetings of bodies subject to the Act to be provided to all persons requesting it. Publication of notice of legislative interim study committees in the *Kansas Register* is adequate notice to those persons who subscribe to that publication. However, individual notice is still required for persons who do not subscribe to the *Register*. Absent changes in the law or the rules of the House and Senate, such persons may not be denied notice of interim study committees for failure to pay the subscription fee for the *Register* or mailing and postage charges arising from the providing of individual notice. Cited herein: K.S.A. 1981 Supp. 75-430 (as amended by 1982 House Bill No. 2717), K.S.A. 75-4317, K.S.A. 1981 Supp. 75-4318, 77-421 (as amended by 1982 House Bill No. 2712), L. 1981, ch. 324, § 33. BJS

OPINION NO. 82-142

Cities and Municipalities—Investment of Idle Funds—Prospective Application of 1982 Amendments. James R. Cobler, Director of Accounts and Reports, Department of Administration, Topeka, June 25, 1982.

Amendments made to K.S.A. 1981 Supp. 12-1675 by 1982 Substitute for House Bill No. 2139, which takes effect on July 1, 1982, have prospective application only. The limitations imposed by these amendments on the investment of idle funds by units of local government are applicable to such investments made on and after July 1, 1982, and do not affect investments which were lawfully made prior to that time, even though the contractually prescribed periods of time for which the funds were invested extend beyond July 1, 1982. Cited herein: K.S.A. 1981 Supp. 12-1675 (as amended by section 6 of 1982 Substitute for House Bill No. 2139.) WRA

OPINION NO. 82-143

Consumer Credit Code—Limitations on Consumer's Liability—Balloon Payments; Denial of Right to Refinance. Donald O. Phelps, Consumer Credit Commissioner, Topeka, June 30, 1982.

K.S.A. 16a-3-308 of the Consumer Credit Code gives a consumer certain protections against the use of a balloon payment, *i.e.*, a scheduled payment that is more than twice as large as the average of earlier scheduled payments. The consumer has the right to refinance the balloon payment at the time it is due without penalty and at terms that are no less favorable to him or her than those of the original transaction. In that this section is clearly designed for the protection of consumers, a consumer is not obligated to affirma-

(continued)

tively exercise this right, and a seller, lender or lessor may not, merely by the failure of a consumer to request the same terms, proceed to extend more onerous terms than those in the original agreement. Such conduct would result in an impermissible waiver by the consumer of rights given by the Code (K.S.A. 16a-1-107) and additionally could be found unconscionable (K.S.A. 16a-5-108). Cited herein: K.S.A. 16a-1-101, 16a-1-102, 16a-1-107, 16a-3-308, 16a-5-108, 16a-6-111. JSS

OPINION NO. 82-144

Counties and County Officers—Conflict of Interests—Prohibited Contracts. James L. Wisler, Linn County Attorney, Mound City, June 30, 1982.

K.S.A. 75-4304 prohibits a county commissioner from contracting, in his official capacity, with a business in which the commissioner has a substantial interest. The prohibition is not eliminated if the other county commissioners approve the subject contracts.

K.S.A. 75-4304 does not preclude participation by the county commissioner in county commission decisions to accept or reject bids for county work from contractors to whom the county commissioner sells automobile batteries, so long as the commissioner has no substantial interest in any contractor bidding for county work. Cited herein: K.S.A. 75-4301, K.S.A. 1981 Supp. 75-4302, K.S.A. 75-4304, K.A.R. 19-51-2(c). RVE

OPINION NO. 82-145

Schools — Miscellaneous Provisions — Therapeutic Psychological and Speech and Hearing Services.

Constitution of the United States—First Amendment—Establishment of Religion; Separation of Church and State. Dr. Merle R. Bolton, Commissioner of Education, Topeka, June 30, 1982.

The conclusion reached in Attorney General Opinion No. 81-27 is expanded to provide that therapeutic psychological and speech and hearing services may be provided, constitutionally, at a location physically unified with a sectarian institution, so long as the location is religiously neutral. Any such location, at a minimum, must be free of religious symbols, contain material and equipment separate from that used in the remaining portion of the sectarian institution, and be under the control of public employees who are not subject to the supervision of the sectarian school's administrators. Cited herein: K.S.A. 72-5392; U.S. Const., Amend I. RJB

ROBERT T. STEPHAN
Attorney General

Doc. No. 000446

(Published in the KANSAS REGISTER, July 8, 1982.)

NOTICE OF BOND SALE CITY OF ULYSSES, KANSAS \$515,205.59 GENERAL OBLIGATION BONDS SERIES 1982-1 (STREETS)

The City of Ulysses, Kansas, will receive bids for the sale of \$515,205.59 General Obligation Bonds, Series 1982-1 (Streets), dated August 1, 1982. Bids will be received at the City Hall, Ulysses, Kansas, until 7:30 P.M., C.D.T., July 21, 1982.

Bonds will be in the denomination of \$5,000 excepting Bond No. 1 which will be in the denomination of \$5,205.59 and will mature as follows:

Number	Maturity	Amount
1-10	October 1, 1983	\$50,205.59
11-20	October 1, 1984	50,000.00
21-30	October 1, 1985	50,000.00
31-40	October 1, 1986	50,000.00
41-50	October 1, 1987	50,000.00
51-60	October 1, 1988	50,000.00
61-70	October 1, 1989	50,000.00
71-81	October 1, 1990	55,000.00
82-92	October 1, 1991	55,000.00
93-103	October 1, 1992	55,000.00

Bonds will bear interest at the rates to be determined when said bonds are sold as hereinafter provided and said interest will be payable on April 1, 1983, and semiannually thereafter on the first days of October and April of each year until said principal sum shall have been paid. Both principal of and interest on said bonds will be payable in lawful money of the United States of America at the office of the State Treasurer in Topeka, Kansas.

Bids will be received on bonds bearing such rates of interest as may be specified by the bidders subject to the following conditions: Not more than five different interest rates shall be specified. Interest rates shall be in a multiple of one-eighth or one-twentieth of one percent and shall not exceed Kansas legal rate. No bid less than par and accrued interest will be considered.

Bids shall be sealed and accompanied by a cashier's or certified check on a bank located in the United States of America in the amount of two percent of the total par value of the bonds being sold, payable to the order of the City of Ulysses, Kansas. Each bidder must certify to the correctness of the computations. The award will be made on the basis of the lowest net interest cost to the City. The City of Ulysses, Kansas, reserves the right to reject any and all bids.

The purchase price, together with any premium and accrued interest from date of bonds to date of delivery, must be paid at delivery or bidding check will be forfeited.

All of said bonds will constitute General Obligations of the City payable both as to principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable, tangible property within said City.

The City of Ulysses, Kansas, will furnish the bonds, properly printed, without cost to the successful bidder, and said bonds will be subject to the approving opin-

(continued)

ion of NICHOLS AND WOLFE CHARTERED, Topeka, Kansas, whose final approving opinion will be furnished and paid for by the City and delivered with the bonds together with a certified copy of the transcript of proceedings authorizing said bonds.

The City is requesting CUSIP identification numbers be printed on the Series 1982-1 Bonds, neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series 1982-1 Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the City; provided, however, that CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

Bonds will be delivered no later than sixty (60) days from the date of sale at any bank in Topeka, Wichita or Kansas City, Missouri, at the expense of the City, or the successful purchaser may designate another place for delivery, the expense of which will be paid by the purchaser.

The assessed valuation of the City of Ulysses, Kansas, for 1981 is \$11,623,363.

The total General Obligation bonded indebtedness for the City of Ulysses, Kansas, as of the date of the Bonds being sold, including the Bonds being sold, is \$2,175,205.60. The City also has outstanding \$195,000 Revenue Bonds and \$700,646 Temporary Notes, of which \$450,646 Temporary Notes will be retired out of the proceeds of the Bonds herein offered for sale.

PAULA SHAPLAND
City Clerk

Doc. No. 000451

(Published in the KANSAS REGISTER, July 8, 1982.)

**CITY OF TOWANDA
BUTLER COUNTY, KANSAS
NOTICE OF BOND SALE
GENERAL OBLIGATION SEWAGE DISPOSAL
PLANT BONDS
SERIES 1982
\$141,000.00**

Sealed bids will be received by the Governing Body in the city of Towanda, Kansas, at City Hall, 110 South 3rd Street, Towanda, Kansas 67114, July 20, 1982, at 7:00 p.m., Daylight Saving Time, at which time bids shall be publicly opened for the purchase of General Obligation Sewage Disposal Plant Bonds of the city of Towanda, Kansas, in the aggregate amount of \$141,000.00. Said bonds will be dated August 1, 1982, and will be in the denomination of \$5,000.00 each, except No. 1 \$1,000.00, and will become due as follows:

Number	Amount	Maturity
1	\$ 1,000.00	September 1, 1983
2-3	10,000.00	September 1, 1983
4 ^u	5,000.00	September 1, 1984
5-6	10,000.00	September 1, 1985
7-8	10,000.00	September 1, 1986

9-10	10,000.00	September 1, 1987
11-12	10,000.00	September 1, 1988
13-14	10,000.00	September 1, 1989
15-17	15,000.00	September 1, 1990
18-20	15,000.00	September 1, 1991
21-23	15,000.00	September 1, 1992
24-26	15,000.00	September 1, 1993
27-29	15,000.00	September 1, 1994

Said bonds are a general obligation of said City. Said bonds are not callable.

Interest on said bonds will be payable semiannually on March 1 and September 1 in each year, beginning March 1, 1983. Both principal and interest will be payable at the office of the State Treasurer, Topeka, Kansas.

Said bonds are being issued for the purpose of paying the City's costs of a Sewage Disposal Plant facility not paid by Federal funds.

Delivery and Legal Opinion

Said bonds, properly printed, are to be furnished by the City without cost to the successful bidder, and said bonds will be sold subject to the legal opinion of William P. Timmerman, Attorney and Bond Counsel, 400 North Woodlawn, Wichita, Kansas, phone (316) 685-7212, whose final, unqualified, approving opinion will be furnished and paid for by the City and delivered to the successful bidder as and when the bonds are delivered. The successful bidder will also be furnished with a certified transcript of proceedings evidencing the authorization and issuance of said bonds, and the usual closing proofs, including a non-litigation certificate.

Said bonds will be delivered to the successful bidder through any bank, on or about September 1, 1982, in Kansas City, Missouri; Topeka, Kansas; Wichita, Kansas; or Towanda, Kansas, as may be specified by the bidder.

The assessed valuation of all tangible taxable property situated in the city of Towanda, Butler County, Kansas, is \$1,467,502.00 for the year 1981.

The total bonded indebtedness of the City is as follows, to-wit:

G.O. Bonds, \$39,000.00, not including this issue.
Notes: \$168,000.00. However, all outstanding notes in the amount of \$168,000.00 will be picked up by this bond issue and from money on hand;

Utility Revenue Bonds: None.

Warrants: None.

This Issue: \$141,000.00

Population of Towanda, Kansas 1,387
Third Class City

Coupon Rate

Proposals will be received on bonds bearing such rate or rates of interest as may be specified by the bidder; provided, however, that each rate specified shall apply to all bonds of the same maturity. Each rate specified shall be an even multiple of *one-tenth of one percent (1/10th of 1%)* OR *one-eighth of one percent (1/8th of 1%)*. There shall be no more than five (5) rates.

Conditions for Bidders

Bids shall be submitted on a contract form with the
(continued)

usual information thereon, and should be addressed to the City Clerk of Towanda, Kansas, plainly marked, "Bond Bid." All bids must state the gross interest cost of the bid and the average annual interest rate and premium, if any, all certified by the bidder to be correct, and the City will be entitled to rely upon such representations. Each bid must be accompanied by a certified check, cashier's check or bank draft equal to two percent (2%) (\$2,820.00) of the amount of such bid, to the City of Towanda, Kansas. In the event a bidder whose bid is accepted shall fail to carry out his contract of purchase, said deposit shall be retained by the City as liquidated damages. The checks of unsuccessful bidders will be returned. The awards will be made on the basis of the lowest net interest cost to the City. In the event an error should occur in computing the coupon rates, the net interest cost will govern.

The right is reserved to reject any or all bids.

HOWARD E. BISHOP, Mayor

ATTEST: KARL H. NAKATEN, City Clerk

(SEAL)

Doc. No. 000438

(Published in the KANSAS REGISTER, July 8, 1982.)

**NOTICE OF BOND SALE
CITY OF ABILENE, KANSAS
\$585,843 GENERAL OBLIGATION BONDS
SERIES 1982-1 (STREETS AND SEWERS)**

The City of Abilene, Kansas, will receive bids for the sale of \$585,843 General Obligation Bonds, Series 1982-1 (Streets and Sewers), dated August 1, 1982. Bids will be received at the office of the City Clerk, Abilene, Kansas, until 4:00 P.M., C.D.T., July 14, 1982.

Bonds will be in the denomination of \$5,000 excepting Bond No. 1 which will be in the denomination of \$5,843 and will mature as follows:

NUMBER	MATURITY	AMOUNT
1- 13	October 1, 1983	\$65,843
14- 26	October 1, 1984	65,000
27- 39	October 1, 1985	65,000
40- 52	October 1, 1986	65,000
53- 65	October 1, 1987	65,000
66- 78	October 1, 1988	65,000
79- 91	October 1, 1989	65,000
92-104	October 1, 1990	65,000
105-117	October 1, 1991	65,000

Bonds will bear interest at the rates to be determined when said bonds are sold as hereinafter provided and said interest will be payable on April 1, 1983, and semiannually thereafter on the first days of October and April of each year until said principal sum shall have been paid. Both principal of and interest on said bonds will be payable in lawful money of the United States of America at the office of the State Treasurer in Topeka, Kansas.

Bids will be received on bonds bearing such rates of interest as may be specified by the bidders subject to the following conditions: Not more than five different interest rates shall be specified. Interest rates shall be in a multiple of one-eighth or one-twentieth of one

percent and shall not exceed Kansas legal rate. No bid less than par and accrued interest will be considered.

Bids shall be sealed and accompanied by a cashier's or certified check on a bank located in the United States of America in the amount of two percent of the total par value of the bonds being sold, payable to the order of the City of Abilene, Kansas. Each bidder must certify to the correctness of the computations. The award will be made on the basis of the lowest net interest cost to the City. The City of Abilene, Kansas, reserves the right to reject any and all bids.

The purchase price, together with any premium and accrued interest from date of bonds to date of delivery, must be paid at delivery or bidding check will be forfeited.

All of said bonds will constitute General Obligations of the City payable both as to principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable, tangible property within said City.

The City of Abilene, Kansas, will furnish the bonds, properly printed, without cost to the successful bidder, and said bonds will be subject to the approving opinion of NICHOLS AND WOLFE CHARTERED, Topeka, Kansas, whose final approving opinion will be furnished and paid for by the City and delivered with the bonds together with a certified copy of the transcript of proceedings authorizing said bonds.

The City is requesting CUSIP identification numbers be printed on the Series 1982-1 Bonds, neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series 1982-1 Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the City; provided, however, that CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

Bonds will be delivered no later than sixty (60) days from the date of sale at any bank in Topeka, Wichita or Kansas City, Missouri, at the expense of the City, or the successful purchaser may designate another place for delivery, the expense of which will be paid by the purchaser.

The assessed valuation of the City of Abilene, Kansas, for 1981 is \$18,674,580.

The total General Obligation bonded indebtedness for the City of Abilene, Kansas, as of the date of the Bonds being sold, including the Bonds being sold, is \$1,595,843.00. The City also has outstanding \$1,025,000 Revenue Bonds and \$774,400 Temporary Notes, which Temporary Notes will be retired out of the proceeds of the Bonds herein offered for sale.

MID HANSON
City Clerk

Doc. No. 000442

(Published in the KANSAS REGISTER, July 8, 1982.)

NOTICE OF BOND SALE
\$144,000
GENERAL OBLIGATION BONDS
OF THE
CITY OF RUSSELL, KANSAS

The City of Russell, Kansas will receive sealed bids at the OFFICE OF THE CITY CLERK, CITY HALL, EIGHTH AND MAPLE, RUSSELL, KANSAS, until 4:00 o'clock P.M., C.D.T., on

TUESDAY, JULY 20, 1982

for \$144,000 par value GENERAL OBLIGATION BONDS of the City, at which time and place such bids will be publicly opened. No oral or auction bids will be considered.

All of the Bonds will be negotiable coupon Bonds, will be in denominations of \$5,000.00 each, except Bond No. 1 which shall be in the denomination of \$4,000, and the Bonds will be dated August 1, 1982. The Bonds will mature serially in accordance with the following schedule:

<i>Number</i>	<i>Principal Amount</i>	<i>Maturity Date</i>
1-3	\$14,000.00	September 1, 1983
4-6	15,000.00	September 1, 1984
7-9	15,000.00	September 1, 1985
10-12	15,000.00	September 1, 1986
13-15	15,000.00	September 1, 1987
16-18	15,000.00	September 1, 1988
19-21	15,000.00	September 1, 1989
22-24	15,000.00	September 1, 1990
25-27	15,000.00	September 1, 1991
28-29	10,000.00	September 1, 1992

Interest on the Bonds will first be payable on MARCH 1, 1983, and thereafter semiannually on the first days of SEPTEMBER and MARCH in each year until the Bonds are fully paid. Both the principal of and interest on the Bonds will be payable to bearer at the Office of the State Treasurer in the City of Topeka, Kansas.

Proposals will be received on Bonds bearing such rate or rates of interest not exceeding five (5) different interest rates, as shall be specified by the bidder. The repetition of an interest rate shall not constitute one of said maximum number of rates. The same rate shall apply to all Bonds of the same maturity. Each interest rate specified shall be a multiple of one-eighth (1/8th) or one-twentieth (1/20th) of one percent (1%). No interest rate shall exceed the maximum permitted by law, and the difference between the highest rate specified and the lowest rate specified shall not exceed two percent (2%). No bid of less than par and accrued interest, and no bid of less than all the Bonds, will be considered.

Bids shall be submitted on the OFFICIAL BID FORM furnished by the City, and shall be addressed to the City at CITY HALL, P.O. BOX 112, RUSSELL, KANSAS 67665, ATTENTION: JUDY SARGENT, CITY CLERK, and shall be plainly marked BOND BID. All bids must state the total interest cost of the bid, the premium, if any, the net interest cost of the bid, and the average annual interest rate, all certified

by the bidder to be correct; and the City will be entitled to rely on the certificate of correctness of the bidder. Each bid must be accompanied by a certified or cashier's check equal to two percent (2%) of the total amount of the bid, and shall be payable to TREASURER, CITY OF RUSSELL, KANSAS. In the event a bidder whose bid is accepted shall fail to carry out his Contract of Purchase, said deposit shall be retained by the City as liquidated damages. The checks of unsuccessful bidders will be returned promptly.

The Bonds, duly printed, executed and registered, will be furnished and paid for by the City; and the Bonds will be sold subject to the unqualified approving opinion of Nichols and Wolfe, Chartered, Bond Counsel, of Topeka, Kansas, whose opinion will be paid for by the City. The purchaser will be furnished with a complete Transcript of Proceedings evidencing the authorization and issuance of the Bonds; and the usual closing proofs, which will include a Certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity. Delivery of the Bonds will be made to the successful bidder on or before AUGUST 15, 1982, at any bank in the STATE OF KANSAS or KANSAS CITY, MISSOURI, at the expense of the City. Delivery elsewhere will be made at the expense of the purchaser.

The Bonds will constitute General Obligations of the City, payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all of the taxable, tangible property within the territorial limits of the City. The proceeds of the Bonds will be used for the purpose of financing paving projects in the amount of \$144,000.

The sealed bids for the Bonds shall be opened publicly and only at the time and place specified in this Notice. The City reserves the right to reject any and/or all of the bids, and to waive any irregularities. Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest net interest cost to the City; and the net interest cost will be determined by deducting the amount of any premium paid from the aggregate amount of interest upon all of the Bonds from their date until their respective maturities.

Assessed valuation figures of the City of Russell, Kansas, for the year 1981, are as follows:

Equalized assessed valuation of taxable, tangible property	\$10,411,202
Assessed tangible valuation of motor vehicles	3,420,595
Equalized tangible valuation for computation of bonded indebtedness limitations	\$13,831,797

The total bonded indebtedness of the City of Russell, Kansas, at the date hereof, including this proposed issue of Bonds in the amount of \$144,000.00, is in the amount of \$5,760,342. The City of Russell, Kansas has Temporary Notes outstanding in the total amount of \$133,655 which will be redeemed and canceled from the proceeds of this proposed issue of Bonds and from other funds available to the City.

JUDY SARGENT, City Clerk
CITY OF RUSSELL, KANSAS

Doc. No. 000437

(Published in the KANSAS REGISTER, July 8, 1982.)

NOTICE OF BOND SALE
\$252,426.36
GENERAL OBLIGATION SEWER AND STREET
IMPROVEMENT BONDS
OF THE
CITY OF CLAY CENTER, KANSAS

The CITY OF CLAY CENTER, KANSAS will receive sealed bids at the OFFICE OF THE CITY CLERK, 427 COURT, CLAY CENTER, KANSAS, until 4:30 o'clock P.M., C.D.T., on

TUESDAY, JULY 13, 1982

for \$252,426.36 par value GENERAL OBLIGATION SEWER AND STREET IMPROVEMENT BONDS of the City, at which time and place such bids will be publicly opened. No oral or auction bids will be considered.

All of the Bonds will be negotiable coupon bonds, will be in denominations of \$5,000.00 each, except Bond No. 1 which shall be in denomination of \$7,426.36, and the Bonds will be dated AUGUST 1, 1982. The Bonds will mature serially in accordance with the following schedule:

<i>Principal Amount</i>	<i>Maturity Date</i>
\$17,426.36	October 1, 1983
25,000.00	October 1, 1984
25,000.00	October 1, 1985
25,000.00	October 1, 1986
25,000.00	October 1, 1987
25,000.00	October 1, 1988
25,000.00	October 1, 1989
25,000.00	October 1, 1990
30,000.00	October 1, 1991
30,000.00	October 1, 1992

Interest on the Bonds will first be payable on APRIL 1, 1983, and thereafter semiannually on the first days of OCTOBER and APRIL in each year until the Bonds are fully paid. Both the principal of and interest on the Bonds will be payable to bearer at the Office of the State Treasurer in the City of Topeka, Kansas.

Proposals will be received on the Bonds bearing such rate or rates of interest, not exceeding FIVE (5) different interest rates, as may be specified by the bidder. The repetition of a rate will not constitute one of said maximum number of rates. The same rate shall apply to all Bonds of the same maturity. Each interest rate specified shall be in an even multiple of one-eighth ($\frac{1}{8}$ th) or one-twentieth ($\frac{1}{20}$ th) of One per cent (1%). The difference between the highest and lowest coupon rates specified in any bid shall not exceed three per cent (3%). No interest rate shall exceed the maximum rate therefor as prescribed by the laws of the State of Kansas, and no bid of less than par and accrued interest will be considered. Bids involving the use of extra or supplemental coupons will not be considered. Bids for less than the entire issue of Bonds will not be considered.

Bids shall be submitted in writing, sealed and marked "BOND BID", and shall be addressed to the City at 427 COURT, CLAY CENTER, KANSAS 67432, ATTENTION: LAWRENCE E. BULL, CITY CLERK. All bids must state the total interest cost of the bid, the premium, if any, the net interest cost of the bid, and the average annual interest rate, all certified by the bidder to be correct; and the City will be entitled to rely on the certificate of correctness of the bidder. Each bid must be accompanied by a certified or cashier's check equal to Two per cent (2%) of the total amount of the bid, and shall be payable to TREASURER, CITY OF CLAY CENTER, KANSAS. In the event a bidder whose bid is accepted shall fail to carry out his Contract of Purchase, said deposit shall be retained by the City as liquidated damages. The checks of unsuccessful bidders will be returned promptly.

The Bonds, duly printed, executed and registered, will be furnished and paid for by the City; and the Bonds will be sold subject to the unqualified approving opinion of GAAR & BELL, Bond Counsel, of Wichita, Kansas, whose opinion will be paid for by the City. The purchaser will be furnished with a complete Transcript of Proceedings evidencing the authorization and issuance of the Bonds; and the usual closing proofs, which will include a Certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity. Delivery of the Bonds will be made to the successful bidder on or before SEPTEMBER 1, 1982, at any bank in the STATE OF KANSAS or KANSAS CITY, MISSOURI, at the expense of the City. Delivery elsewhere will be made at the expense of the purchaser.

The Bonds will constitute general obligations of the City, payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all of the taxable tangible property within the territorial limits of the City. The Bonds are being issued for the purpose of paying a portion of the costs of constructing certain improvements to the sewage disposal system; including the construction of additional facilities and the reconstruction of the disposal plant to provide for secondary wastewater treatment, and also paying the costs of certain street construction in the City.

The sealed bids for the Bonds shall be opened publicly and only at the time and place specified in this Notice; and the Bonds will be sold to the best bidder. The City reserves the right to reject any and/or all of the bids, and to waive any irregularities. Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest net interest cost to the City; and the net interest cost will be determined by deducting the amount of any premium paid from the aggregate amount of interest upon all of the Bonds from their date until their respective maturities.

Assessed valuation figures for the City of Clay Center, Kansas, for the year 1981, are as follows:

(continued)

Equalized Assessed Valuation of Taxable Tangible Property	\$11,016,234.00
Tangible Valuation of Motor Vehicles	\$ 1,286,467.00
Tangible Valuation of Motor Vehicle Dealers Inventory	\$ 101,381.00
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations	\$12,404,082.00

The total bonded indebtedness of the City of Clay Center, Kansas, at the date hereof, including this \$252,426.36 proposed issue of Bonds, is in the amount of \$2,320,109.66, which includes outstanding Temporary Notes in the amount of \$250,000.00. The City will retire \$250,000.00 of said outstanding Temporary Notes from the proceeds of the Bonds.

DATED June 24, 1982.

LAWRENCE E. BULL, City Clerk
City of Clay Center, Kansas

Doc. No. 000439

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