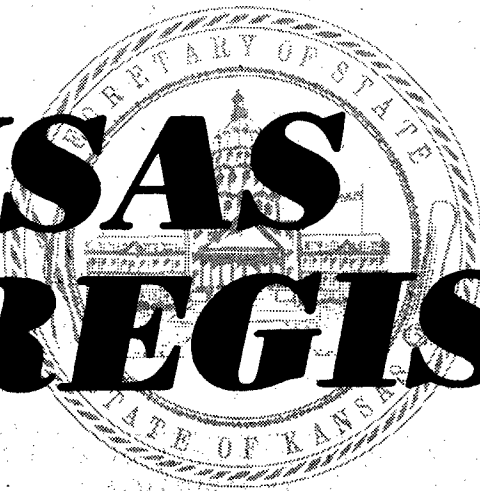


KANSAS REGISTER



State of Kansas

**JACK H. BRIER
Secretary of State**

Vol. 5, No. 28

July 10, 1986

Pages 1025-1040

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State of Kansas

SECRETARY OF STATE**1986 SESSION LAWS AVAILABLE**

The 1986 Session Laws of Kansas, which contains all new laws enacted by the 1986 Legislature, is available for purchase. The volume is available in clothbound (\$14) or paperbound (\$13) editions. Send orders, with payment, to Secretary of State, 2nd Floor, State Capitol, Topeka 66612-1594.

Any questions may be directed to the Legislative Division at (913) 296-4557.

JACK H. BRIER
Secretary of State

State of Kansas

SECRETARY OF STATE**NOTICE**

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

I, JACK H. BRIER, Secretary of State of the State of Kansas, do hereby certify that pursuant to the provisions of 1986 Session Laws of Kansas, Chapter 89, the rate of interest on judgments rendered by courts of the State of Kansas pursuant to the code of civil procedure shall be 10.50 percent during the period of July 1, 1986 through June 30, 1987.

In testimony whereof: I hereto set my hand and cause to be affixed my seal. Done at the City of Topeka, this 2nd day of July, A.D. 1986.

JACK H. BRIER
Secretary of State

Doc. No. 004395

State of Kansas

**DEPARTMENT OF ADMINISTRATION
POOLED MONEY INVESTMENT BOARD****NOTICE TO KANSAS BANKS
AND TRUST COMPANIES**

Sealed proposals will be received and opened at 2 p.m. July 14 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, P.O. Box 2608, Topeka 66601.

Proposals should be sent to the address above and clearly marked "Proposal for State Deposit."

POOLED MONEY INVESTMENT BOARD

Doc. No. 004384

State of Kansas

STATE CONSERVATION COMMISSION**NOTICE TO CONTRACTORS**

Sealed bids for the construction of detention dam site 5-16 in Douglas County will be received by the Taub Creek Watershed Joint District No. 82 at the home of Robert McIntyre, Consultant, 3020 Sage Brush Drive, Lawrence 66046, until noon, July 30. Public bid opening will be at 8 p.m. on July 31 at the Soil Conservation Service Field Office, 209 W. 2nd, Ottawa 66067. Proposals and copies of plans and specifications will be issued upon request to all prospective bidders by calling Robert McIntyre, (913) 842-9196.

KENNETH F. KERN
Executive Director

Doc. No. 004373

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PUBLISHED BY
JACK H. BRIER
Secretary of State
2nd Floor, State Capitol
Topeka, KS 66612-1594



PHONE: 913/296-3489

State of Kansas

STATE CONSERVATION COMMISSION**NOTICE TO CONTRACTORS**

Sealed bids for the construction of detention dam site 122 in Anderson County will be received by the Deer Creek Watershed Joint District No. 55 at the law office of Immel & Immel, 1½ W. Madison, P.O. Box 766, Iola 66749, until 5 p.m., July 30, and at the City Hall, Colony, from 7 to 7:30 p.m., July 30, and then will be publicly opened. Proposals will be issued upon request to all prospective bidders from the Anderson County Soil Conservation Service Field Office, 6th & Elm St., Garnett 66032, (913) 448-6323. Copies of plans and specifications are available at the Soil Conservation Service field office.

KENNETH F. KERN
Executive Director

Doc. No. 004389

State of Kansas

DEPARTMENT OF TRANSPORTATION**NOTICE TO CONTRACTORS**

Sealed proposals for the construction of road work in the following Kansas counties will be received at the K.D.O.T. District One conference room, 121 W. 21st, Topeka, or at the office of the Construction and Maintenance, K.D.O.T., Topeka, until 10 a.m. C.D.T., July 24, 1986, and then publicly opened:

DISTRICT ONE—Northeast

Lyon—35-56 K-2968-02—I-35, beginning at the junction of I-35 and US-50 overpass east of Emporia, then east to 1.0 mile west of the Coffey-Lyon county line, 9.4 miles, concrete pavement rehabilitation. (Federal Funds)

Nemaha—63-66 K-1829-03—K-63 bridge 18 over Nemaha Lake spillway, bridge replacement. (Federal Funds)

Proposals will be issued upon request to all prospective bidders who have been prequalified by the K.D.O.T. on the basis of financial condition, available construction equipment, and experience. Also, a statement of unearned contracts (Form No. 284) must be filed. There will be no discrimination against anyone regardless of race, religion, color, sex, physical handicap, national origin or ancestry in the award of contracts.

Plans and specifications for the projects may be examined at the office of the respective county clerk or at the K.D.O.T. district office responsible for the work.

JOHN B. KEMP
Secretary of Transportation

Doc. No. 004381

State of Kansas

**DEPARTMENT OF ADMINISTRATION
STATE EMPLOYEES HEALTH CARE
COMMISSION****NOTICE OF
CONTINUATION OF NEGOTIATIONS
FOR THE STATE EMPLOYEES
HEALTH INSURANCE CONTRACTS**

Notice is hereby given of continuation of negotiations with insurance carriers for the state employees health insurance contracts which will be effective January 1, 1987.

Negotiations will continue at 8:30 a.m. Wednesday, July 16, in Room 521-S, State Capitol, Topeka.

ALDEN K. SHIELDS
Chairman

Doc. No. 004915

State of Kansas

STATE CORPORATION COMMISSION**NOTICE OF HEARING**

The State Corporation Commission, pursuant to K.S.A. 55-703, has directed that an investigation be instituted and a hearing held to determine the reasonable market demand for gas produced from the Negro Creek Indian Cave gas pool in Kingman County for the period extending from July 1, 1986 through September 30, 1986, both inclusive; to determine the deliverability and acreage attributable to each of the wells therein; and for the purpose of fixing gas production percentages and quotas for wells within the pool. Evidence will be received at the hearing for the above purposes and for determining and fixing the allowables for each of the wells in the pool in the proration period.

The hearing will be held at 9 a.m. Friday, July 25, at the Broadview Hotel, 400 W. Douglas, Wichita. All purchasers of gas produced from the pools are hereby notified to furnish to the State Corporation Commission at the hearing their nominations from the pool for the calendar months included in the proration period.

Questions should be directed to Shari M. Feist, Assistant General Counsel, Kansas Corporation Commission, Conservation Division, 202 W. 1st, Wichita 67202, (316) 263-3238.

JUDITH McCONNELL
Executive Secretary

Doc. No. 004386

State of Kansas
DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICES

**NOTICE OF COMMENCEMENT
 OF NEGOTIATIONS
 FOR ARCHITECTURAL SERVICES**

Notice is hereby given of the commencement of negotiations for architectural services for the renovation of Ash Cottage at the Parsons State Hospital and Training Center.

To be considered, individuals or firms must be on file with the Division of Architectural Services. Any architect or architectural firm not on file, but having a Kansas office staffed by one or more architects licensed by the State Board of Technical Professions, may contact Jack Nelson, Division of Architectural Services, 625 Polk, Topeka 66603, (913) 233-9367, to achieve eligibility. All expressions of interest must be received by July 25, 1986.

JOHN B. HIPPI, AIA
 Director, Division of
 Architectural Services

Doc. No. 004385

State of Kansas
STATE CORPORATION COMMISSION

NOTICE OF HEARING

The State Corporation Commission, pursuant to K.S.A. 55-703, has directed that an investigation be instituted and a hearing held to determine the reasonable market demand for gas produced from the Lower Sullivan Stalnaker gas pool in Harper County for the period extending from July 1, 1986 through September 30, 1986, both inclusive; to determine the deliverability and acreage attributable to each of the wells therein; and for the purpose of fixing gas production percentages and quotas for wells within the pool. Evidence will be received at the hearing for the above purposes and for determining and fixing the allowables for each of the wells in the pool in the proration period.

The hearing will be held at 9 a.m. Friday, July 25, at the Broadview Hotel, 400 W. Douglas, Wichita. All purchasers of gas produced from the pools are hereby notified to furnish to the State Corporation Commission at the hearing their nominations from the pool for the calendar months included in the proration period.

Questions should be directed to Shari M. Feist, Assistant General Counsel, Kansas Corporation Commission, Conservation Division, 202 W. 1st, Wichita 67202, (316) 263-3238.

JUDITH McCONNELL
 Executive Secretary

Doc. No. 004387

State of Kansas
DEPARTMENT OF REVENUE
DIVISION OF PROPERTY VALUATION
**NOTICE OF MODIFICATION OF
 PROPERTY VALUATION GUIDES, SCHEDULES
 AND METHODOLOGY**

Pursuant to K.S.A. 1985 Supp. 79-1412a, the following modifications are to be observed by county or district appraisers in the assessment of property rendered by AT&TIS. In summary form:

1. All equipment will have a 10-year economic life *except* that equipment which is reported as "Data Processing Equipment" on the rendition where a five-year economic life will be utilized.
2. Values reported as inventory will be handled in the usual manner. In most cases when inventory is reported, a value for office furniture, fixtures, equipment, etc. should also be reported in the same tax unit. If this is not the case, contact AT&T for an explanation.
3. All equipment rendered *except* residential should have been reported to the county by tax unit according to information provided by the county to AT&T. If you question the accuracy of this distribution, contact Matthew Avagliano, (201) 665-7039 at AT&T, or move the valuation to the tax unit which you believe to be correct.
4. You should have received by now a new residential report from AT&T. This report is a correction and *should replace* the residential sheets you received with the original rendition.
5. Residential values for your county have been prorated among the tax districts (*NOT UNITS*) according to the proportions of value reported by Southwestern Bell for the same equipment prior to the time that equipment was transferred to AT&T. Therefore, a *single-uncombined* levy should be applied to *each* value reported on the residential listing. The levy information needed to work this portion may only be available in the county clerk's office.

If it is later determined that value adjustments must be made, it will be handled in the same manner as other value adjustments.

Guides and schedules and the modifications thereto are available for public inspection during regular office hours at the Division of Property Valuation, fifth floor, State Office Building, Topeka.

VIC MILLER
 Director, Division of
 Property Valuation

Doc. No. 004394

State of Kansas

LEGISLATURE

INTERIM AGENDA

The following committee meetings have been scheduled during the period of July 14 through July 25, 1986:

Date	Room	Time	Committee	Agenda
July 15 July 16			Special Committee on Energy and Natural Resources	CANCELLED
July 15 July 16	527-S 527-S	10:00 a.m. 9:00 a.m.	Legislative Educational Planning Committee	15th: Transferability of community college courses to Regents' universities and Chinese internship program. 16th: Discussion of Holmes and Carnegie reports and impact on teacher education in Kansas.
July 17 July 18	526-S 526-S	10:00 a.m. 9:00 a.m.	Special Committee on Federal and State Affairs	17th: Staff meeting on Proposals No. 11, 12, 13, 15 and 16. Hearings on Proposals No. 11, 13 and 15. 18th: Hearings on Proposals No. 12 and 16.
July 17 July 18	514-S 514-S	10:00 a.m. 9:00 a.m.	Special Committee on Ways and Means	17th: Background on Proposals No. 38 and 39. 18th: Background on Proposal No. 35. Committee plans.
July 21 July 22	313-S 313-S	10:00 a.m. 9:00 a.m.	Special Committee on Legislative Apportionment	Proposal No. 21—Legislative Apportionment. 21st: Overview of Proposal No. 21 and Block Boundary Project presentation. 22nd: Conferees and committee discussion.
July 21 July 22	123-S 123-S	10:00 a.m. 9:00 a.m.	Joint Committee on State Building Construction	Agenda to be determined.
July 21 July 22	514-S 514-S	10:00 a.m. 9:00 a.m.	Joint Committee on Administrative Rules and Regulations	Agenda to be determined.
July 21 July 22	526-S 526-S	10:00 a.m. 9:00 a.m.	Special Committee on Judiciary	Proposal No. 17—Division of Assets.
July 22 July 23	519-S 519-S	10:00 a.m. 9:00 a.m.	Special Committee on the Court System	Agenda to be determined.
July 23 July 24	527-S 522-S	10:00 a.m. 9:00 a.m.	Special Committee on Public Health and Welfare	Hearings on Proposal No. 25—Residential Facilities for the Handicapped, Elderly, and Mentally Ill and Functionally Disabled.
July 24 July 25	527-S 527-S	10:00 a.m. 9:00 a.m.	Joint Committee on Special Claims Against the State	Hearings on claims filed to date.

WILLIAM R. BACHMAN
Director of Legislative
Administrative Services

State of Kansas

ATTORNEY GENERAL

Opinion No. 86-94

Fees and Salaries—Fees in All Counties and Salaries in Certain Counties—Court Fees; Unlawful Statehouse Parking.

Automobiles and Other Vehicles—Uniform Act Regulating Traffic; Parties, Arrests, Citations, Procedures and Penalties—Uniform Fine Schedule for Traffic Infraction Violations; Unlawful Statehouse Parking. Gene M. Olander, District Attorney, Kansas 3rd Judicial District, Topeka, June 30, 1986.

Inclusion of the fine for unlawful statehouse parking in the uniform fine schedule does not affect the fee provisions for unlawful parking on other specified state property as defined by K.S.A. 75-4505 and 75-4506. The fees which are to be assessed for unlawful statehouse parking are controlled by subsection (e), rather than subsection (b), of K.S.A. 1985 Supp. 28-172a. Cited herein: K.S.A. 1985 Supp. 8-2118(c), as amended by L. 1986, ch. 41, § 2; K.S.A. 1985 Supp. 28-172a(b), (e), as amended by L. 1986, ch. 146, § 3; K.S.A. 75-4505; 75-4506; 75-4508; 75-4510a. JLM

Opinion No. 86-95

Automobiles and Other Vehicles—Miscellaneous Provisions—Kansas Safety Belt Use Act. Representative Henry M. Helgeson, Jr., 86th District, Wichita, June 30, 1986.

The purpose of the Safety Belt Use Act is to educate rather than punish. However, law enforcement officers should not be constrained from enforcing the act within the bounds of its provisions. When an officer can articulate facts which would lead a cautious person to believe that a violation has occurred, a citation may then be issued. Drivers are not to be cited for violations committed by passengers. Any person 10 or more years of age may be held responsible for failure to fasten their safety belt. Cited herein: K.S.A. 1985 Supp. 8-1344; 8-1345; K.S.A. 8-2101; K.S.A. 1985 Supp. 21-3105; 38-1602, K.S.A. 41-2719; L. 1986, ch. 35, §§ 3, 4. JLM

ROBERT T. STEPHAN
Attorney General

Doc. No. 004392

State of Kansas

DEPARTMENT OF ADMINISTRATION

DIVISION OF PURCHASES

NOTICE TO BIDDERS

Sealed bids for items hereinafter listed will be received by the Director of Purchases, State Office Building, Topeka, until 2 p.m. C.D.T., and then will be publicly opened. Interested bidders may call (913) 296-2377 for additional information.

MONDAY, JULY 21, 1986

#27092 Supplement

University of Kansas Medical Center, University of Kansas, Kansas State University, and Wichita State University—BLOOD BANK PRODUCTS AND RELATED SPECIALTIES

#27260

Kansas Fish and Game Commission—CONTROLLED BURNING

#27261

Kansas Fish and Game Commission—FOOD PLOT WORK

#27262

Kansas Fish and Game Commission—NOXIOUS WEED CONTROL

#27267

Kansas State University—PHOTOGRAPHIC FILM PROCESSING

#27268

University of Kansas Medical Center and University of Kansas—IMMUNO ASSAY KITS AND REAGENTS

#66251

University of Kansas Medical Center—DIALYSIS MACHINE

#66311

University of Kansas—PAPER, PRINTING AND BINDING

TUESDAY, JULY 22, 1986

#A-5504

Wichita State University—REPAIR GLAZING SYSTEM—TWO WALKWAYS, McKnight Art Center Facility

#27265

Emporia State University—REFRIGERATOR-FREEZERS

#27266

Wichita State University—FOLDING DOORS

WEDNESDAY, JULY 23, 1986

#A-5283

Parsons State Hospital and Training Center—CHAIR LIFT INSTALLATION, Coordination Center Building

#66256

University of Kansas—SALE OF USED COMPUTER EQUIPMENT

#66257

Department of Administration, Division of Information Systems and Communications—MOVE COMPUTER CENTER

#66259

Department of Transportation—VEHICLES

#66260

University of Kansas Medical Center—MISCELLANEOUS GAS APPARATUS

#66261

Kansas State University—CENTRIFUGE ROTOR

#66262

Kansas Bureau of Investigation—GAS
CHROMATOGRAPH

#66263

Kansas State University—MICROPLATE READER

#66264

University of Kansas Medical Center—LAB
FREEZER AND OTHER EQUIPMENT

#66279

Emporia State University—FURNISH AND
INSTALL INTERCOM SYSTEM

#66280

Kansas State Penitentiary—CIRCUIT BREAKER

THURSDAY, JULY 24, 1986

#A-4854(c)

Emporia State University—RENOVATION
PROJECT, Memorial Union

#A-5258

Norton State Hospital—REPLACE CENTRAL
SOUND SYSTEM AND INSTALL ADDITIONAL
SPEAKERS

#66255

State Board of Agriculture—SALE OF USED
AGRICULTURE TESTING EQUIPMENT

#66265

University of Kansas Medical Center—LAB
CHEMISTRY ANALYZER

#66266

Kansas State University—LAB INCUBATOR

#66267

University of Kansas Medical Center—LAB
CENTRIFUGE

#66268

University of Kansas Medical Center—LAB
FREEZER

#66289

Emporia State University—JANITORIAL
EQUIPMENT AND SUPPLIES

#66290

University of Kansas Medical Center—
ULTRASOUND SCANNER

#66291

Kansas Correctional Industries—FURNISH AND
INSTALL REVERSE OSMOSIS SYSTEM

#66292

Kansas State University—STEEL

#66293

University of Kansas Medical Center—
REBUILDING LIGHTS, INSTRUMENT CLEANER

#66294

University of Kansas Medical Center—CLAMPS,
FORCEPS, AND MISCELLANEOUS SURGICAL
ITEMS

#66303

University of Kansas Medical Center—
MICROTOME

#66304

University of Kansas Medical Center—BLOOD
CELL COUNTER

#66305

University of Kansas Medical Center—HPLC
EQUIPMENT

#66308

Kansas State Penitentiary—STEEL PIPE AND
FITTINGS

#66309

University of Kansas Medical Center—CUBICLE
CURTAINS

FRIDAY, JULY 25, 1986

#27243

Department of Social and Rehabilitation Services—
JANITORIAL SERVICE, Salina

#66307

University of Kansas Medical Center—
MICROSCOPE

MONDAY, JULY 28, 1986

#66258

University of Kansas Medical Center—WINDOW
CLEANING SERVICE

NICHOLAS B. ROACH

Director of Purchases

Doc. No. 004390

State of Kansas

SECRETARY OF STATE

NOTICE OF FORFEITURE

In accordance with K.S.A. 17-7510, the articles of incorporation of the following corporations organized under the laws of the state of Kansas and the authority of the following foreign corporations to do business in the state of Kansas were forfeited on April 15, 1986, for failure to file an annual report and pay the annual franchise tax as required by the Kansas General Corporation Code.

Forfeited April 15, 1986 for failure to file the
March 31, 1985 annual report:

Cooperative Marketing Act
Post Rock Cooperative, Inc., Bison, KS.

Forfeited April 15, 1986 for failure to file the
September 30, 1985 annual report:

Domestic for Profit

Acorn Software Engineering, Inc., Ottawa, KS.
Acoustical Gypsum Floors, Inc., Olathe, KS.
Adams and Poorman, Inc., Wichita, KS.
Advance Oil, Inc., Wichita, KS.
Advanced Computer Systems, Inc., Manhattan, KS.
Airport Standard, Inc., Wichita, KS.
Ajusta Company, Inc., Augusta, KS.
Allied Marine Association of Kansas, Inc.,
Overland Park, KS.
Alpine Properties, Inc., Kiowa, KS.
Ameq, Inc., Lawrence, KS.
American Charter Bus, Inc., Kansas City, KS.
American Construction Company, Inc.,
Leavenworth, KS.
American Machine & Tool Company, Inc.,
Chanute, KS.
Anchor Investment and Management Group, Inc.,
Wichita, KS.
Anderson Building Co., Inc., Wichita, KS.
Antique Center, Inc., Shawnee, KS.
The Appliance Doctor, Inc., Emporia, KS.
Barklage Homes, Inc., Mission, KS.
B & B Construction, Inc., Gardner, KS.

(continued)

- Biggy's Tavern, Inc., Topeka, KS.
 Bird Creek Oil Company, Inc., Independence, KS.
 Bob's Door Company, Inc., Wichita, KS.
 Bondurant's Western Supply, Inc., Great Bend, KS.
 Bowlby Air Devices Inc., Wichita, KS.
 B.R.B. Construction, Inc., Lenexa, KS.
 The Cannon Group, Ltd., Kansas City, MO.
 Carson Electric, Inc., Derby, KS.
 CFA Energies Incorporated, Chapman, KS.
 Chikaskia Valley Trucking, Inc., Argonia, KS.
 Cimarron Mobile Home Sales I, Ltd., Liberal, KS.
 Cimarron Mobile Home Sales II, Inc.,
 Garden City, KS.
 Circle C Associates, Inc., Dodge City, KS.
 City Cabs, Inc., Wichita, KS.
 Classic Designs, Inc., Hutchinson, KS.
 C & L Cheese, Inc., North Platte, NE.
 Clennan, Inc., Topeka, KS.
 Cobb Enterprises, Inc., Prairie Village, KS.
 Colorprep, Inc., Wichita, KS.
 Comanche Production, Inc., Prairie Village, KS.
 Conn & Sturges Oil Co., Inc., Iola, KS.
 Construction Industries Corporation,
 Overland Park, KS.
 Countryman's, Inc., Hardtner, KS.
 CPAC, Inc., Shawnee Mission, KS.
 Curle Nuclear Engineering Services, Inc.,
 Emporia, KS.
 Custom Data and Electronics, Inc., Wichita, KS.
 Custom Leather and Comfort Shoes, Inc.,
 Wichita, KS.
 C. V. Parsons, Inc., Overland Park, KS.
 Dale Van Construction Co., Inc., Shawnee, KS.
 Danco Services, Inc., Palmdale, CA.
 Dick Stack, Inc., Wichita, KS.
 Dilligaf, Inc., Bonner Springs, KS.
 D. J. Enterprises, Inc., Lenexa, KS.
 Dod-Cliff, Inc., Wichita, KS.
 Double Eagle Drilling Company, Dallas, TX.
 Eagle Testing Co., Inc., Great Bend, KS.
 E. B. Nordgren Construction, Inc., Topeka, KS.
 Edwards Oil, Inc., Hutchinson, KS.
 E & H Technical Services, Inc., Emporia, KS.
 E & M Enterprises, Inc., Prairie Village, KS.
 Empire Investments, Inc., Shawnee, KS.
 Energy Products International, Inc.,
 Overland Park, KS.
 Ensley Trading Company, Ltd., Phillipsburg, KS.
 Equipment-Finders of Kansas, Inc., Wichita, KS.
 E. Randall, Inc., Overland Park, KS.
 ESU, Inc., Lawrence, KS.
 Factory Supply Center, Inc., Shawnee Mission, KS.
 Fisher Stoves Co., Inc., Wichita, KS.
 Five Star Cattle Co., Inc., Hoxie, KS.
 F.J.R.B. Drilling Co., Inc., Pittsburg, KS.
 Flat Rock Oil, Inc., Erie, KS.
 Four-A Leasing Co., Inc., Wichita, KS.
 Gamblers III, Inc., Hays, KS.
 Gas N Go, Inc., Goodland, KS.
 G & J Meats, Inc., Salina, KS.
 G L D, Inc., Wichita, KS.
 G & M Industries, Inc., Garden City, KS.
 Golden Chance, Inc., Wichita, KS.
 Gold Line, Incorporated, Wichita, KS.
 Great Northern Electric Company of Kansas,
 Lenexa, KS.
 Great Plains Boiler and Engineering, Inc.,
 Hutchinson, KS.
 Great Plains Wholesale, Inc., Garden City, KS.
 G. W. Consultants, Inc., Emporia, KS.
 Hair Lab, Inc., Overland Park, KS.
 Hays A & W Drive-In Restaurant, Inc., Hays, KS.
 Heart of America Computerized ECG Co.,
 Mission Hills, KS.
 Helio Aircraft Ltd., Pittsburg, KS.
 Helling Seafood Corporation, Overland Park, KS.
 Hod Bohn Company, Shawnee Mission, KS.
 Honey Do Home Improvements Inc., Alden, KS.
 Hotstream Enterprises, Inc., Emporia, KS.
 Hughes Construction Co., Inc., Lawrence, KS.
 Hydra-Air Company, Kansas City, KS.
 I.B.W. Enterprises, Incorporated, Paola, KS.
 Inco Energy, Inc., Leawood, KS.
 International Management Group, Ltd.,
 Overland Park, KS.
 Investors Insurance Services, Inc.,
 Shawnee Mission, KS.
 Izard, Inc., Overland Park, KS.
 Jackson Homes, Inc., Junction City, KS.
 J & B Energy, Inc., Topeka, KS.
 J & D Furniture Inc., Great Bend, KS.
 Jefferson Plaza, Inc., Junction City, KS.
 Jehovah Jireh, Inc., New Strawn, KS.
 Johnson Locker & Processing, Inc., Hiawatha, KS.
 The Joseph Manufacturing Company, Inc.,
 Overland Park, KS.
 J.R.W., Inc., Topeka, KS.
 Judd Ranch, Inc., Washington, KS.
 Kansas Federated Gold & Numismatics, Inc.,
 Wichita, KS.
 Kansas Group, Inc., Overland Park, KS.
 Key Enterprises, Inc., Sublette, KS.
 King Crab Restaurant, Inc., Prairie Village, KS.
 Knightsbridge, Inc., Wichita, KS.
 Kostner—Johnson, Inc., Lenexa, KS.
 Krier Roustabout Service, Inc., Great Bend, KS.
 Kruse Dirt Contractor, Inc., Liberal, KS.
 Lakeside Players, Inc., Vassar, KS.
 Lakeway Motor Inn, Inc., Meade, KS.
 Lawrence Pizza Co., Lawrence, KS.
 Lewie's "Speakeasy," Inc., Newton, KS.
 Livtec, Inc., Emporia, KS.
 L & L Services, Inc., Leawood, KS.
 Lord's and Lady's Haircutting Studio, Ltd.,
 Kansas City, KS.
 Management Financial Group, Inc., Wichita, KS.
 Manhattan Wine, Inc., Prairie Village, KS.
 McMurchy, Dahringer & Klugman, Inc., Brandview,
 MO.
 Mechniarts International, Inc., Overland Park, KS.
 Mid-America Awards, Inc., Salina, KS.
 Mid-Continent Consolidated, Inc., Olathe, KS.
 Mid-West Gases, Inc., Kansas City, KS.
 Midwest Roofing and Building Contractors, Inc.,
 Topeka, KS.
 Midwestern Messenger, Inc., Shawnee, KS.

- Miller's University Village Drug, Inc., Richmond, VA.
 Mission Electronics, Inc., Overland Park, KS.
 Mission Engineering Company, Incorporated,
 Kansas City, KS.
 Mississippi Investments, Inc., Wichita, KS.
 Missouri Valley Fabricators, Inc., Leavenworth, KS.
 M-K Plumbing Company, Inc., Wichita, KS.
 Modern Beauty School, Inc., Wichita, KS.
 Morton Equipment Co., Inc., Arkansas City, KS.
 The Muder Corporation, Kansas City, KS.
 Mueller Brothers Clothing, Inc., Independence, KS.
 Mule Distributing Co., Inc., Topeka, KS.
 Musicord, Inc., DeSoto, KS.
 National Wallmaster, Inc., Wichita, KS.
 Neosho Construction Company Incorporated,
 Council Grove, KS.
 Olivia's, Inc., Baldwin City, KS.
 Osgood-Lewis-Perkins, Inc., Prairie Village, KS.
 Outreach Rehabilitation Services, Inc.,
 Kansas City, KS.
 Overland Communications, Inc.,
 Shawnee Mission, KS.
 Pension Services Corporation, Kansas City, MO.
 Pharmaceutical Management Consultants, Inc.,
 Overland Park, KS.
 PMC, Inc., Wichita, KS.
 Power Management Services, Inc., Topeka, KS.
 Renflow Drilling Company, Inc., Chanute, KS.
 Research Export Company, Salina, KS.
 Riesco, Inc., Emporia, KS.
 Schmitz Basements & Foundations, Inc., Laveta, CO.
 Schwart Financial Services, Inc., Topeka, KS.
 Security Transfer Co., Wichita, KS.
 Seven Investors, Inc., Overland Park, KS.
 Sgt. Preston's of Kansas, Inc., Phoenix, AZ.
 Shooting Supply, Inc., Forgan, OK.
 Sierra Corporation, Shawnee Mission, KS.
 69 Investors, Inc., Prairie Village, KS.
 S.J.M., Inc., Wichita, KS.
 Skateland North, Inc., Wichita, KS.
 S & L Enterprises, Inc., Newton, KS.
 Smith Foods, Inc., Pittsburg, KS.
 Solar Systems, Inc., Wichita, KS.
 Southards Welding and Manufacturing, Incorporated,
 Valley Center, KS.
 S & S Landmark Corporation, Pittsburg, KS.
 State Investment Co., Inc., Topeka, KS.
 Sunderland, Inc., Halstead, KS.
 Superior Well Service, Inc., Plainville, KS.
 Tamrac Investments, Inc., Lansing, KS.
 Terae Management Company, Inc., Wichita, KS.
 Thompson-Crawley Furniture Rental of Lawrence,
 Inc., Lawrence, KS.
 Tractor 8021, Inc., St. Joseph, MO.
 Tractor 8237, Inc., Fort Scott, KS.
 Tractor 8249, Inc., Fort Scott, KS.
 Tractor 8451, Inc., Fort Scott, KS.
 Tractor 8596, Inc., Fort Scott, KS.
 United Plastics, Inc., Gardner, KS.
 Universal of Wichita, Inc., Wichita, KS.
 Used Rent-A-Cars, Inc., Overland Park, KS.
 Variety Mobile Home and Auto Sales, Inc.,
 Wichita, KS.
- V & F Trucking and Hauling, Inc., Pittsburg, KS.
 Walnut Valley Farms, Inc., Arkansas City, KS.
 Walters, Inc., Paola, KS.
 Wichita Rental Service, Inc., Wichita, KS.
 Wilbert Construction, Inc., Wichita, KS.
 Winchester Hardware and Service Company,
 Winchester, KS.
 Wine Brokers of Kansas, Inc., Prairie Village, KS.
 Youngers Construction, Inc., Wichita, KS.
- Foreign for Profit**
- A & E Heating & Air Conditioning, Inc.,
 Lee's Summit, MO.
 A.G. Spanos Construction, Inc., Stockton, CA.
 American Corrosion Inc., an Oklahoma Corporation,
 Tulsa, OK.
 American Southwest Petroleum, Ltd.,
 Los Angeles, CA.
 Barrett Resources Corporation, Lakewood, CO.
 Bencal, Inc., La Mesa, CA.
 Bogert Funds Incorporated, Oklahoma City, OK.
 Bradmark Incorporated, Kansas City, MO.
 Brown Data Processing, Inc., Kansas City, MO.
 Carlgren Piano and Organ Company, Inc.,
 Wichita, KS.
 Central Oklahoma Resources Company, Inc.,
 Cushing, OK.
 Coalinga Corporation, Reno, NV.
 Compressor Systems of Tulsa, Inc., Tulsa, OK.
 Crown Coating, Inc., Pensacola, FL.
 Days Inn of America Franchising, Inc., Atlanta, GA.
 Defender Chemical Company, Columbia, SC.
 Digital Energy Monitor Co., Olathe, KS.
 Ed's Carpet Warehouse, Inc., N. Kansas City, MO.
 Emcor Petroleum, Inc., Denver, CO.
 Envirotech Corporation, Wilmington, DE.
 Fair-Snak, Inc., Tucson, AZ.
 FCP Inc., Olathe, KS.
 Fig Leasing Co., Inc., Los Angeles, CA.
 The Glass Gallery, Ltd., St. Louis, MO.
 Goodwin Bros. Construction Co., Crystal City, MO.
 Guardian Industrial Services, Inc., Marietta, GA.
 Hawkeye Oil, Inc., Sandy, UT.
 Jeanway Industries, Inc., Springdale, AR.
 John W. Bennett Contracting Corporation,
 Kansas City, MO.
 Key Pit Linings, Inc., Odessa, TX.
 Kickham Boiler & Engineering, Inc., St. Louis, MO.
 King Heating and Cooling, Inc., Kansas City, MO.
 Logan-Moore Building Materials Company,
 Kansas City, MO.
 Luna Energy Corporation, Yukon, OK.
 Maddox Engineering Consultants, Inc.,
 Capistrano Beach, CA.
 Magers & Magers, Inc., Kansas City, MO.
 Marvel Enterprises, Inc., Overland Park, KS.
 Maze Exploration Inc., Denver, CO.
 McAbee Construction, Inc., Tuscaloosa, AL.
 Mid-States Resources, Inc., St. Louis, MO.
 Morgan Products, Inc., Shreveport, LA.
 Okemah Construction, Inc., Okemah, OK.
 The Paddington Corporation, Fort Lee, NJ.

(continued)

Palco Industries, Inc., Baxter Springs, KS.
 Pam-Tex Company, Inc., Pampa, TX.
 Pay-Less Beauty Supply Company, Moline, IL.
 Pharmacy Accounting Management, Inc., Dallas, TX.
 Sani-Kem Corporation, Kansas City, MO.
 Santa's Corner, Inc., Columbia, MD.
 Sight & Sound Rental, Inc., St. Joseph, MO.
 Stickle Salvage & Transfer, Inc., Anamosa, IA.
 Thermal Energy Resources, Inc.,
 Colorado Springs, CO.
 Trafalgar House Oil and Gas Limited, Houston, TX.
 Triple Seven, Inc., Oklahoma City, OK.
 Unitech Testing, Inc., Foster City, CA.
 Universal Bridge Co., Inc., Kansas City, KS.
 USAA Investment Management Company,
 San Antonio, TX.
 Venture Video West, Inc., Pratt, KS.
 Westfall Mobile Homes, Inc., Miami, OK.
 WZW Financial Services, Inc., St. Louis, MO.

Foreign Limited Partnership

Sovereign Group 1984-15, Ltd., Topeka, KS.

Professional Association

Blue Valley Animal Hospital, P.A., Stilwell, KS.
 C. Robert Bell, P.A., Wichita, KS.
 Earl James Fitzgerald, M.D., P.A., Goodland, KS.
 Frank J. Pischke, M.D., P.A., Kansas City, KS.
 James B. Mercer, M.D., Chartered, Lenexa, KS.
 Jeryl G. Fullen, M.D., P.A., Merriam, KS.
 Lafe W. Bauer, M.D., P.A., Prairie Village, KS.
 M. Moran Tomson, P.A., Johnson, KS.
 Nova L. Morgan, M.D., P.A., Haysville, KS.
 R. Wayne Thompson, D.D.S., P.A., Lenexa, KS.
 Saunders P. Steiman, D.D.S., P.A., Overland Park, KS.
 William J. Garey, M.D., P.A., Independence, KS.

Forfeited April 15, 1986 for failure to file the annual report due after January 15, 1986 extension:

Domestic for Profit

Bill's Donut Shop, Inc., Larned, KS.
 Chawcer's, Ltd., Topeka, KS.
 Cox & Cox Consultants, Inc., Shawnee Mission, KS.
 Electronic Business Systems of K.C., Inc.,
 Overland Park, KS.
 Executive Ventures, Inc., Kansas City, MO.
 Jordan Electric, Incorporated, Topeka, KS.
 K.E.B. Land and Exploration, Corp., Oberlin, KS.
 K-J A, Inc., Wichita, KS.
 Peake & Peake, Inc., Wichita, KS.
 Poell's Service, Inc., Wichita, KS.
 Precision Machine & Tooling, Inc., Wichita, KS.
 Precision Mechanical, Inc., Wichita, KS.
 Red Oaks, Inc., Wichita, KS.
 Safe Products Drug Co., Inc., Wichita, KS.
 Satellite Systems, Inc., Overland Park, KS.
 Skate Junction, Inc., Junction City, KS.
 Southeast Materials, Inc., Burden, KS.
 Stan's, Inc., Kansas City, KS.
 Target Drilling, Inc., Hutchinson, KS.
 Taxi Delivers Pizza, Inc., Ottawa, KS.
 Taxi Pizza Bakers, Inc., Ottawa, KS.
 Taxi Pizza Operations, Inc., Ottawa, KS.

Taxi Pizza Trust, Inc., Ottawa, KS.
 Winter Trust, Inc., Ottawa, KS.

Foreign for Profit

American Multi-Cinema, Inc., Kansas City, MO.
 Chapman Engineers, Inc., Houston, TX.
 Logicon, Inc., Torrance, CA.
 WUI/TAS Inc., New York, NY.

Domestic Limited Partnership

PMI Properties "A," Wichita, KS.
 PMI Properties "B," Wichita, KS.
 PMI Properties "C," Wichita, KS.
 PMI Properties "D," Wichita, KS.

Forfeited April 15, 1986 for failure to correct and return an annual report:

Domestic for Profit

AA Investment Company, Inc., Whitewater, KS.
 Ernst Incorporated, Americus, KS.
 Jim Alexander Aircraft Sales, Inc., Wichita, KS.
 Joe Chin Enterprise, Inc., Wichita, KS.
 K & P Products, Inc., Wichita, KS.
 Resource Recycling, Inc., Wichita, KS.

Domestic Not for Profit

Windmill Square Merchants Association, Inc.,
 Fairway, KS.

Forfeited April 15, 1986 for failure to submit a certificate of good standing with the annual report:

Foreign for Profit

Cherry Hill Photo Enterprises, Cherry Hill, NJ.
 HVAC Contractors, Inc., Kansas City, MO.
 Massey-Ferguson Credit Corporation, Des Moines,
 IA.
 Pacific Lining Company, Inc., Westminster, CA.

Forfeited April 15, 1986 for failure to designate a new resident agent within 60 days of resignation of previous resident agent:

Foreign for Profit

Jewell Enterprises, Inc., Arlington, TX.
 Rival Resources, Inc., Denver, CO.
 Sunwest Holding Corporation, Denver, CO.

Foreign Limited Partnership

Sunwest Income Production Fund #I, Limited
 Partnership, McPherson, KS.
 Sunwest Lease Acquisition Fund, A Limited
 Partnership, McPherson, KS.
 Sunwest Pipeline Fund #1, A Limited Partnership,
 McPherson, KS.
 Sunwest Pipeline Fund #2, A Limited Partnership,
 McPherson, KS.
 Sunwest Wildcat Lease Acquisition Fund, A Limited
 Partnership, McPherson, KS.

JACK H. BRIER
 Secretary of State

Doc. No. 004371

(Published in the KANSAS REGISTER, July 10, 1986.)

NOTICE OF BOND SALE
\$195,000
CITY OF NEWTON, KANSAS
GENERAL OBLIGATION BONDS
(SERIES 1986-A and SERIES 1986-B)
(general obligation bonds payable
from unlimited ad valorem taxes)

Sealed bids will be received in the office of the City Clerk, City Hall, 120 E. 7th, Newton, KS 67114, until 10 a.m. C.D.T., on July 16, 1986, and will thereafter be considered by the governing body of the city, at which time and place all proposals will be publicly opened, read aloud, and considered for the purchase of all; but not less than all of each series of two series of general obligation bonds aggregating the principal sum of \$195,000—series 1986-A in the principal amount of \$90,000 (the series 1986-A bonds); and series 1986-B in the principal amount of \$105,000 (the series 1986-B bonds). The series 1986-A bonds and series 1986-B bonds will be jointly referred to as the bonds. No oral or auction bids will be considered.

Details of the Bonds—Series 1986-A

The series 1986-A bonds shall be issued in the form of fully registered certificated bonds without coupons, each in the denomination of \$5,000 or in integral multiples thereof, not exceeding the principal amount of bonds maturing in each year. Interest on the series 1986-A bonds will be payable semiannually, commencing March 1, 1987 and each September 1 and March 1 thereafter. The series 1986-A bonds shall be dated August 1, 1986 and shall become due serially on September 1, in each of the years and in the principal amounts, as follows:

Date of Maturity	Amount	Date of Maturity	Amount
September 1, 1987	\$ 5,000	September 1, 1992	\$10,000
September 1, 1988	5,000	September 1, 1993	10,000
September 1, 1989	10,000	September 1, 1994	10,000
September 1, 1990	10,000	September 1, 1995	10,000
September 1, 1991	10,000	September 1, 1996	10,000

Details of the Bonds—Series 1986-B

The series 1986-B bonds shall be issued in the form of fully registered certificated bonds without coupons, each in the denomination of \$5,000 or in integral multiples thereof, not exceeding the principal amount of bonds maturing in each year. Interest on the series 1986-B bonds will be payable semiannually, commencing March 1, 1987 and each September 1 and March 1 thereafter. The series 1986-B bonds shall be dated August 1, 1986 and shall become due serially on September 1, in each of the years and in the principal amounts, as follows:

Date of Maturity	Amount	Date of Maturity	Amount
September 1, 1987	\$ 5,000	September 1, 1992	\$10,000
September 1, 1988	5,000	September 1, 1993	10,000
September 1, 1989	10,000	September 1, 1994	15,000
September 1, 1990	10,000	September 1, 1995	15,000
September 1, 1991	10,000	September 1, 1996	15,000

Place of Payment

The principal of, and premium, if any, on the bonds shall be payable in lawful money of the United States of America at the office of the Treasurer, State of Kansas, Topeka, Kansas (the paying agent and bond

registrar), to the registered owners thereof upon presentation of the bonds for payment and cancellation. Interest on the bonds shall be payable in lawful money of the United States of America by check or draft of the paying agent and bond registrar to the registered owners appearing on the books maintained by the bond registrar as of the 15th day of the month next preceding the interest payment dates (the record dates). The fees of the bond registrar for registration and transfer of the bonds shall be paid by the city.

Redemption

Optional Redemption. Bonds maturing in the years 1987 to 1994, inclusive, shall become due without option of prior payment. At the option of the city, bonds maturing in the years 1995 and thereafter may be called for redemption and payment prior to maturity in whole or in part in inverse order of maturity (selection of bonds within the same maturity to be by lot by the city in such equitable manner as it may determine) on September 1, 1994, or on any interest payment date thereafter at the redemption price of 100 percent (expressed as a percentage of the principal amount), plus accrued interest to the redemption date.

Special Mandatory Redemption. In the event the provisions of H.R. 3838 (as hereinafter defined) apply to the series 1986-B bonds, and only to the extent necessary to preserve the exemption from federal income taxation of the interest on the series 1986-B bonds, the series 1986-B bonds are subject to mandatory redemption and payment prior to maturity in whole or in part August 1, 1989, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date in inverse order of maturity (selection of series 1986-B bonds within the same maturity to be by lot by the city in such equitable manner as it may determine) from series 1986-B bond proceeds not expended by June 15, 1989.

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

If the city shall elect to call any bonds for redemption and payment prior to the maturity thereof, the city shall give written notice of its intention to call and pay said bonds on a specified date, said notice to be mailed by United States registered or certified mail addressed to the registered owners of said bonds, to the Treasurer of the State of Kansas, Topeka, Kansas, and to the manager or managers of the underwriting account making the successful bid, each of said notices to be mailed not less than 30 days prior to the date fixed for redemption. If any bond be called for redemption and payment as aforesaid, all interest on such bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Interest Rate

Proposals will be received on the bonds of each

(continued)

series bearing such rate or rates of interest as may be specified by the bidder. The same rate shall apply to all bonds of the same maturity. Each interest rate specified shall be in an even multiple of $\frac{1}{8}$ or $\frac{1}{20}$ of 1 percent. The difference between the highest interest rate bid and the lowest rate of interest bid shall not exceed 3 percent per annum. No interest rate shall exceed the maximum interest rate allowed by Kansas law, said rate being the 20 bond index of tax exempt municipal bonds published by Credit Markets in New York, New York on the Monday next preceding the day on which the bonds are sold (July 14, 1986), plus 2 percent, and no bid of less than par and accrued interest will be considered. A bid for the purchase of less than all of each series of bonds or bid at a price less than par and accrued interest will not be considered.

Bid Form and Good Faith Deposit

Bids for each series shall be submitted on the official bid form furnished by the city and should be addressed to John Torline, City Clerk, 120 E. 7th, Newton, KS 67114, 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 net interest rate, all certified by the bidder to be correct, and the city may rely upon the certificate of correctness of the bidder. No bid will be considered if made on other than the official bid form and no bid will be considered if such form is amended or modified. Each bid must be accompanied by a certified or cashier's check in the amount of 2 percent of the total par value of each series of bonds payable to the City Treasurer, City of Newton, on which no interest will be allowed. The checks of unsuccessful bidders will be returned promptly. The check of the successful bidder or the proceeds thereof will be held as security for the performance of the contract to purchase the bonds; but in the event that the successful bidder shall fail to comply with the terms of the bid, the check or the proceeds thereof shall then be forfeited and retained by the city as and for liquidated damages.

Award of the Bonds

Each series of bonds will be sold separately. The sealed bid for each series of bonds shall be opened publicly and only at the time and place specified in this notice, and each series of bonds will be sold to the best bidder. The city reserves the right to reject any and all of the bids, and to waive any irregularities or informalities. Unless all bids are rejected, the bonds of each series 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 bid from the aggregate amount of interest upon all of the bonds from their date until their respective maturities. If there is a discrepancy between the lowest net interest cost and the average annual interest rate specified, the net interest cost figure shall govern and the interest rates in the bid shall be adjusted accordingly. In the event more than one bid is received at the same net

interest cost, the successful bidder will be selected by lot.

Delivery and Payment

The bonds, duly printed, executed and registered, will be furnished and paid for by the city. Delivery of the bonds will be made on or before August 28, 1986, at such bank or trust company in the state of Kansas or Kansas City, Missouri, as may be specified by the successful bidder. Payment shall be made in immediately available federal reserve funds. The number, denomination of bonds, and the names and tax identification numbers of the initial registered owners to be initially printed on the bonds must be submitted in writing by the successful bidder to the bond registrar at least 10 business days prior to the date of delivery of the bonds. In the absence of such information, the city will deliver the bonds in the denomination of each maturity registered in the name of the successful bidder.

Pending Federal Legislation Concerning Tax Exempt Obligations

On December 17, 1985, the U.S. House of Representatives passed H.R. 3838, the Tax Reform Act of 1985. The bill imposes additional requirements which must be satisfied in order for interest on obligations issued by or on behalf of state and local governments to be exempt from federal income taxation. Such requirements generally are effective for all obligations issued after December 31, 1985, and thus, if the bill becomes law, it would be applicable to the bonds.

The bill is subject to change, and if it becomes law may contain requirements which differ from those contained in the bill. Therefore, there can be no assurance that the city will be able to comply with such requirements. The failure or inability of the city to comply with the requirements of the bill could jeopardize the tax exempt status of the bonds from their date of issuance. Bondholders should be aware that in such event, the bonds are not callable, nor will the interest rate on the bonds be adjusted to reflect the loss of the tax exemption.

On March 14, 1986, a joint statement was issued by key congressional leadership and the Secretary of the Treasury of the United States concerning a delay in the effective date of certain provisions of the bill. The city has relied on the joint statement in issuance of the series 1986-A bonds. The city has not relied on the joint statement and will covenant to comply with the provisions of the bill with respect to the series 1986-B bonds.

On June 24, 1986, the Senate of the United States adopted an amendment in the nature of a substitute to the bill. The amendment contains a provision which would provide that the alternative minimum taxable income of an applicable corporation shall be increased by one-half of the amount by which the "adjusted net book income" of such corporation exceeds the "pre-book alternative taxable income" of such corporation. The effect of such provision may be to subject the interest on the bonds held by corporations to the alternative minimum tax provisions of the bill for taxable years commencing after December 31, 1986.

Legal Opinions

The bonds will be sold subject to the unqualified approving opinion of Gaar and Bell, bond counsel, Wichita, Kansas, a copy of which opinion will be printed on the reverse side of each bond. The cost of this legal opinion and the expenses of printing the bonds and legal opinion will be paid by the city. The series 1986-A legal opinion will state in part substantially that 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, and that, under existing law, the interest on said bonds is exempt from present federal income taxation and the bonds are exempt from intangible personal property taxes levied by Kansas cities, counties and townships. The series 1986-B legal opinion will state in part substantially that 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, and subject to the limitations set forth therein, under existing law, the interest on said bonds is exempt from present federal income taxation and the bonds are exempt from intangible personal property taxes levied by Kansas cities, counties and townships. The city will covenant in the bond ordinance to take all actions necessary to comply with the provisions of the bill in order to maintain the federal tax exempt status of the interest on the series 1986-B bonds. Assuming that the city complies with the covenants and requirements contained in the bond ordinance, bond counsel is of the opinion that the enactment of the bill would not cause the interest on the series 1986-B bonds to be subject to federal income taxation, except that (i) under the bill, interest on the series 1986-B bonds would be treated as a tax preference in computing the alternative minimum tax imposed by the bill on corporations and individuals, and (ii) for certain insurance companies, the bill would reduce the underwriting loss deduction for such companies by a portion of the interest received from tax exempt obligations including the series 1986-B bonds. A manually signed original of each such opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. 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 and a certificate relating to the completeness and accuracy of the official statement and notice of bond sale.

Purpose of Issues

The bonds are being issued for the purpose of constructing certain internal improvements in the city of Newton, Kansas, as follows:

Series 1986-A

Street Improvements \$ 90,000

Series 1986-B

Acquisition and Renovation of Existing Airport Hanger \$105,000

Security

The bonds constitute general obligations of the city of Newton, Kansas, and the full faith, credit and resources of the city are pledged to the payment of the principal of and the interest on such bonds, and the city is obligated to levy ad valorem taxes without limitation as to rate or amount upon all the taxable property within the territorial limits of said city to pay the principal of and interest on the bonds.

CUSIP Identification Numbers

CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidders to accept delivery of and to pay for said bonds in accordance with the terms of this notice. All expenses in relation to printing of CUSIP numbers on said bonds and the expenses of the CUSIP Service Bureau for the assignment of said numbers shall be the responsibility of and shall be paid for by the city.

Assessed Valuation

The assessed valuation of all taxable tangible property within the city of Newton, Kansas, for the year 1985, is as follows:

Equalized assessed valuation of taxable tangible property	\$37,868,630
Estimated tangible valuation of motor vehicles	\$ 9,126,814
Equalized assessed tangible valuation for computation of bonded indebtedness limitations	<u>\$46,995,444</u>

Bonded Indebtedness

The total bonded indebtedness of the city of Newton, Kansas, as of June 1, 1986, is \$8,430,342.77, which amount excludes all revenue bonds and general obligation bonds which have been refunded, but includes the two series of bonds described in this notice of bond sale in the aggregate amount of \$195,000. In addition, the city has outstanding temporary improvement notes in the amount of \$2,290,500 and no fund warrants in the amount of \$100,000.

Redistribution of Notice and Official Statement

Authorization is given to redistribute this notice of bond sale and the official statement, but the entire notice of bond sale and official statement, and not portions thereof, must be redistributed. The successful bidder, upon request, will be furnished with a reasonable number of copies of the notice of bond sale and official statement without cost; additional copies will be furnished at a nominal charge.

Official Statement

This notice of bond sale and the official statement has been prepared under the authority of the governing body of the city of Newton, Kansas. Additional copies of this notice of bond sale, copies of the official statement, or further information may be received

(continued)

from the office of the City Clerk, City Hall, 120 E. 7th,
 Newton, KS 67114, (316) 283-6900.
 Dated July 2, 1986.

CITY OF NEWTON, KANSAS
 By John Torline, City Clerk
 City Hall
 120 E. 7th
 Newton, KS 67114
 (316) 283-6900

Doc. No. 004391

(Published in the KANSAS REGISTER, July 10, 1986.)

**AMENDED
 NOTICE OF BOND SALE
 UNIFIED SCHOOL DISTRICT 464
 TONGANOXIE, KANSAS
 LEAVENWORTH COUNTY
 \$2,520,000
 GENERAL OBLIGATION SCHOOL BONDS
 SERIES 1986**

This amended notice of bond sale amends the notice of bond sale dated June 24, 1986.

The Unified School District 464, Tonganoxie, Leavenworth County, Kansas, will receive sealed bids at the office of the Board of Education, Tonganoxie, KS 66086, until 7 p.m. C.D.T., on Monday July 14, 1986, for the purchase of \$2,520,000 par value general obligation school bonds of the district, at which time and place such bids will be publicly opened. No oral or auction bids will be considered.

The series 1986 bonds will be dated August 1, 1986, and shall mature on September 1 in each of the years and in the amounts set forth below. Such bonds shall consist of fully registered certificated bonds, each in the denomination of \$5,000 or integral multiples thereof not exceeding the principal amount of bonds maturing in each year. Interest will be payable semi-annually on March 1 and September 1 of each year until their respective maturities beginning September 1, 1987. The principal of, and premium, if any, on the bonds shall be payable in lawful money of the United States of America at the principal office of the Treasurer of the State of Kansas (the paying agent and bond registrar) to the registered owners thereof upon presentation of the bonds for payment and cancellation. Interest on the bonds shall be payable in lawful money of the United States of America, by check or draft of the paying agent to the registered owners appearing on the books maintained by the bond registrar as of the 15th day of the month next preceding each interest payment date. The fees of the bond registrar for registration and transfer of the bonds shall be paid by the district.

The bonds will mature serially in accordance with the following schedule:

Principal Amount	Maturity Date (September 1)
\$ 60,000	1988
65,000	1989
70,000	1990

75,000	1991
80,000	1992
85,000	1993
95,000	1994
100,000	1995
110,000	1996
120,000	1997
130,000	1998
140,000	1999
150,000	2000
165,000	2001
180,000	2002
195,000	2003
215,000	2004
230,000	2005
255,000	2006

Bonds maturing in the years 1988 to 2001, inclusive, shall become due without option of prior payment. At the option of the district, bonds maturing in the years 2002 and thereafter may be called for redemption and payment prior to maturity in whole or in part in inverse order of maturity (selection of bonds within the same maturity to be by lot by the bond registrar in such manner as it shall determine) on September 1, 2001 or on any interest payment date thereafter at a redemption price of 100 percent of the principal amount redeemed, plus accrued interest to date of redemption.

Bonds will be redeemed in integral multiples of \$5,000. If less than all bonds are called for redemption, the bond registrar will, in the case of bonds in denominations greater than \$5,000, treat each \$5,000 of face value as though it were a separate bond.

If the district shall elect to call any bonds for redemption and payment prior to the maturity thereof, the district shall give written notice of its intention to call and pay said bonds on a specified date, said notice to be mailed by United States registered or certified mail addressed to the registered owners of said bonds to the Treasurer of the State of Kansas, Topeka, Kansas. Said notices to be mailed not less than 30 days prior to the date fixed for redemption. If any bond should 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.

Proposals will be received on the bonds bearing such rate or rates of interest, not exceeding eight 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 1/8 or 1/20 of 1 percent. The difference between the highest and lowest interest rates specified in any bid shall not exceed 2 percent. No interest rate shall exceed the maximum interest rate allowed by Kansas law, said rate being 2 percent above the 20 bond index published in Credit Markets on Monday next preceding the sale of the bonds, and no bid of less than par and accrued interest will be considered. Bids for less than the entire issue of bonds will not be considered.

Bids shall be submitted on the official bid form furnished by the district, addressed to the district at

the office of the Board of Education, Tonganoxie, KS 66086, and 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 district 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 2 percent of the total amount of the bid, and shall be payable to the order of the treasurer of the district. 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 district 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 district and sold subject to the unqualified approving opinion of Nichols and Wolfe Chartered, Topeka, Kansas, bond counsel, whose opinion will be paid for by the district.

On December 17, 1985, the U.S. House of Representatives passed H.R. 3838, the Tax Reform Act of 1985. The bill contains a number of requirements which generally are effective for all state and local obligations issued after December 31, 1985, and, if the bill becomes law in its present form, would be applicable to the bonds. On June 24, 1986, the U.S. Senate passed an amendment in the nature of a substitute to the bill which would provide among other things that one-half of the reported proceeds of a corporation not otherwise included in its minimum tax base would be treated as a preference item. The effect of such provision may be to subject interest on the bonds, if held by a corporation, to alternative minimum taxation for taxable years commencing after December 31, 1986. It is anticipated that the House and Senate versions of the bill will next be considered by a House-Senate Conference Committee.

The bill is subject to change, and if it becomes law may contain requirements which differ from those contained in the bill in its present form. Therefore, there can be no assurance that the issuer will be able to comply with such requirements. The failure or inability of the issuer to comply with the requirements of the bill could jeopardize the tax exempt status of the bonds from their issuance date. Purchasers should be aware that in such event, the bonds are not callable, nor will the interest rate on the bonds be adjusted to reflect the loss of the tax exemption.

On March 14, 1986, a joint statement was issued by key congressional leadership and the Secretary of the Treasury with respect to the postponement, until September 1, 1986 (or the date of enactment of tax reform legislation, if earlier) of certain provisions of the bill. In reliance upon the joint statement, the district does not intend to comply with the provisions of the bill for which the effective date was postponed.

With respect to Section 802 of the bill, relating to interest incurred by financial institutions to carry tax exempt bonds, the district intends to designate the bonds as qualified project bonds for purposes of Section 802(e) of the bill.

The number, denomination of bonds and names of the initial registered owners shall be submitted in writing by the successful bidder to the bond registrar not later than August 8, 1986.

The purchaser will be furnished with a complete transcript of proceedings evidencing 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. Payment for the bonds shall be made in immediately available funds. Delivery of the bonds will be made to the successful bidder on or before August 26, 1986 at any bank in the state of Kansas or Kansas City, Missouri, at the expense of the district. Delivery elsewhere will be made at the expense of the purchaser.

The bonds will constitute general obligations of the district, payable 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 district. The series 1986 bonds are being issued by the district to permanently finance the cost of constructing of a new middle school.

The sealed bids for the bonds shall be opened publicly and only at the time and place specified in this notice. The district reserves the right to reject any and 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 district, and the net interest cost will be determined by deducting any amount of any premium paid from the aggregate amount of interest upon all of the bonds from their date until their respective maturities.

It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such number or assign a number to any bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds. All expenses incurred in connection with the printing of CUSIP numbers on the bonds and the expenses of the CUSIP Service Bureau for the assignment of said numbers shall be paid for by the district.

The total assessed valuation of the taxable tangible property within the district (including estimated motor vehicle valuation and motor vehicle dealers' inventory valuation) for the year 1985 is \$19,455,819. The total general obligation bonded indebtedness of the district, at the date hereof, including this proposed issue of bonds, is \$2,710,000.

Additional copies of this notice of bond sale or further information may be received from either the district or George K. Baum & Company, 1004 Baltimore Ave., Kansas City, MO 64105, the district's financial adviser.

Dated July 1, 1986.

UNIFIED SCHOOL DISTRICT 464
Anna Mary Doege, District Clerk

Doc. No. 004388

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