

# KANSAS REGISTER



State of Kansas

**JACK H. BRIER**  
Secretary of State

Vol. 5, No. 40

October 2, 1986

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State of Kansas

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NO. 86-88

OFFER OF REWARD

WHEREAS, Tom Eugene Kelley, age 27, of Holcomb, Finney County, Kansas, was bludgeoned and killed in Holcomb, Kansas, on or about August 20, 1986; and

WHEREAS, said killing appears to have been a heinous crime and homicide in violation of the laws of the State of Kansas.

NOW, THEREFORE, by virtue of the authority vested in me by K.S.A. 75-113, I, John Carlin, Governor of the State of Kansas, do hereby offer a reward of five thousand dollars (\$5,000.00) for information leading to the apprehension and conviction of the perpetrators of this crime.

This document shall be filed with the Secretary of State as Executive Order No. 86-88, and shall become effective immediately.

Dated September 23, 1986.

JOHN CARLIN  
Governor  
JACK H. BRIER  
Secretary of State

Doc. No. 004622

State of Kansas

DEPARTMENT OF ADMINISTRATION

DIVISION OF ARCHITECTURAL SERVICES

NOTICE OF COMMENCEMENT  
OF NEGOTIATIONS FOR

ARCHITECTURAL/ENGINEERING SERVICES

Notice is hereby given of the commencement of negotiations for architectural/engineering services for a report on the condition of the Charles Curtis House, Topeka.

Services shall include an analysis of the existing condition of all building systems, structural problems, materials deterioration of interior and exterior, and identification as to what is needed for architectural conservation. The report shall include recommendations for all required renovation and preservation, including estimates of construction cost.

Interested firms must have a Kansas office staffed by one or more architects licensed to practice in the state. Firms must submit evidence of prior experience with residential work subject to the requirements of state and federal standards for preservation and care of historic properties.

Any questions or expressions of interest should be directed to Terry Marmet, Kansas State Historical Society, 120 W. 10th, Topeka 66612, (913) 296-4230, prior to October 17, 1986.

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

Doc. No. 004621

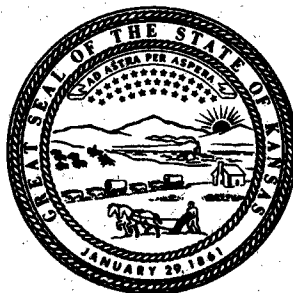
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PUBLISHED BY  
JACK H. BRIER  
Secretary of State  
State Capitol  
Topeka, KS 66612



PHONE: 913/296-3489

State of Kansas

**BOARD OF NURSING****NOTICE OF HEARING  
ON PROPOSED  
ADMINISTRATIVE REGULATIONS**

A public hearing will be held at 2:30 p.m. Wednesday, October 22, at Bell Memorial Hospital, University of Kansas Medical Center, Kansas City, to consider adoption of proposed permanent and temporary regulations of the Kansas State Board of Nursing.

All interested parties may submit written comments prior to the hearing to the Board of Nursing, 503 Kansas Ave., Suite 330, Topeka 66603. All interested parties will be given a reasonable opportunity to present their views on the adoption of the proposed regulations during the hearing.

The proposed regulation, K.A.R. 60-3-101, defines the requirements for payment of fees by registered nurse anesthetists.

Copies of the full text of the regulation may be obtained by writing to the board at the address above.

LOIS RICH SCIBETTA, Ph.D., R.N.  
Executive Administrator

Doc. No. 004636

State of Kansas

**BOARD OF EDUCATION****NOTICE OF APPROVAL  
OF PROGRAM PLAN**

The fiscal year 1987 Kansas Program Plan for Title VI-B, Education of All Handicapped Children Act, as adopted by the State Board of Education on August 13, 1986, has been approved by the U.S. Secretary of Education and a grant awarded to the state of Kansas in the amount of \$10,944,534. The priority for said funds will be the improvement of services for handicapped children, including preschool handicapped. The E.H.A. Part B funds are not to be used to supplant local or state monies, but rather to help defray the excess cost of special education and related services.

The contents of the annual program plan include a reaffirmation of the Kansas goal for providing full educational opportunities to all handicapped children and the procedures to be employed by the State Department of Education in meeting the provisions of P.L. 94-142. Copies of the annual program plan may be obtained from Special Education Administration, Kansas State Department of Education, 120 E. 10th, Topeka 66612.

KANSAS STATE BOARD OF EDUCATION

By: Robert J. Clemons

Chairman

Certified by:

Dr. Harold L. Blackburn  
Commissioner of Education

Doc. No. 004635

State of Kansas

**FISH AND GAME COMMISSION****NOTICE OF MEETING**

The Kansas Fish and Game Commission will meet Friday, October 10, at the Holiday Inn West, 605 Fairlawn, Topeka. A public hearing will be held to consider the adoption and amendment of permanent, temporary and statutorily exempt regulations of the commission concerning establishment of open fur-bearer seasons in Kansas and re-establishment of manner and time limitation to be followed for the possession of bobcat pelts. The hearing will begin at 7 p.m.

After the hearing a general business meeting is scheduled, which will include discussion of proposed agency sponsored legislation, discussion of a director's order establishing black bass length limits in designated waters of the state, discussion of deer permitting and season setting processes, and other business topics.

JOE FOWLER  
Chairman

Doc. No. 004638

State of Kansas

**PARK AND RESOURCES AUTHORITY****NOTICE OF HEARING  
ON PROPOSED  
ADMINISTRATIVE REGULATIONS**

A public hearing will be held at 2 p.m. Tuesday, October 21, in the basement of the State Office Building, Topeka, to consider the adoption of proposed temporary and permanent rules and regulations of the Kansas State Park and Resources Authority.

All interested parties may submit written comments prior to the hearing to the director of the Kansas State Park and Resources Authority, P. O. Box 977, Topeka 66601. All interested parties will be given a reasonable opportunity at the hearing to present their views, orally, in regard to the adoption of the proposed regulations. In order to give all parties an opportunity to present their views, it may be necessary to request each participant to limit oral presentation to five minutes.

Following the hearing, all written and oral comments submitted by interested parties will be considered by the Authority as the basis for making changes to these proposed regulations.

Copies of the regulations and the fiscal impact statements may be obtained by writing to the Kansas State Park and Resources Authority.

LYNN BURRIS, Jr.  
Director

Doc. No. 004637

## State of Kansas

## DEPARTMENT OF TRANSPORTATION

## NOTICE TO CONTRACTORS

Sealed proposals for the construction of road and bridge work in the following Kansas counties will be received at the office of the Chief of Construction and Maintenance, K.D.O.T., Topeka, until 10 a.m. C.D.T., October 16, 1986, and then publicly opened:

## DISTRICT TWO—Northcentral

**Dickinson**—56-21 M-1454-01—U.S. 56, bridge deck and approaches located approximately 3.4 miles north of the Dickinson-Marion county line, milling. (State Funds)

**Ellsworth**—156-27 M-1453-01—K-156, bridge deck and approaches on K-156 over the Smoky Hill River and Union Pacific Railroad near Ellsworth, 0.19 mile, milling. (State Funds)

**Geary**—70-31 M-1455-01—I-70, beginning 0.7 mile west of the junction of I-70 and K-18, then east on I-70 to 0.5 mile west of the K-177 junction, 11.4 miles, milling. (State Funds)

Proposals will be issued upon request to all prospective bidders who have been prequalified by the Kansas Department of Transportation 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, age, religion, color, sex, handicap, or national origin in the award of contracts.

The state highway agency shall include a statement substantially as follows in the advertised specifications: Each bidder shall file a sworn statement executed by, or on behalf of the person, firm, association or corporation submitting the bid, certifying that such person, firm, association or corporation has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the submitted bid. This sworn statement shall be in the form of an affidavit executed and sworn to by the bidder before a person who is authorized by the laws of the state to administer oaths. The required form of the affidavit will be provided by the state to each prospective bidder. Failure to submit the sworn statement as part of the bid-approval package will make the bid nonresponsive and not eligible for award consideration.

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. 004598

## State of Kansas

## ATTORNEY GENERAL

## Opinion No. 86-130

**Crimes and Punishments—Code; Sentencing—Jurisdiction of Court over Persons Assigned to Community Corrections.** Charles Simmons, Chief Counsel, Kansas Department of Corrections, Topeka, September 17, 1986.

K.S.A. 1985 Supp. 21-4602, as amended by L. 1986, ch. 123, provides that the court retains jurisdiction over a person assigned to community corrections. Cited herein: K.S.A. 1985 Supp. 21-4602, as amended by L. 1986, ch. 123, § 5. BLB

## Opinion No. 86-131

**Taxation—Mortgage Registration and Intangibles; Mortgage Registration—Instruments Subject Thereto.** Sheila Maxwell, Stafford County Attorney, St. John, September 17, 1986.

An instrument which purports to assign a leasehold interest in consideration for a reserved production payment is a mortgage of real property for purposes of recording such instrument in the office of the register of deeds and paying mortgage registration fees pursuant to K.S.A. 1985 Supp. 79-3102. Cited herein: K.S.A. 58-221; 79-3101; K.S.A. 1985 Supp. 79-3102. JLM

## Opinion No. 86-132

**Taxation—Property Exempt From Taxation—Farm Machinery and Equipment Held as Inventory.** Douglas F. Martin, Shawnee County Counselor, Topeka, September 17, 1986.

The exemption from property and ad valorem taxes of farm machinery and equipment held as inventory does not violate the uniform and equal rate of taxation requirement of the Kansas Constitution, as such exemption meets the public purpose test. The exemption for hand tools exclusively used by a mechanic on the construction or repair of machinery is somewhat suspect, but due to the presumption of constitutionality of legislative acts, we conclude that this section also meets the constitutional requirement of Art. 11, § 1. In any event, the statutory sections containing each of these exemptions are severable and therefore one may be upheld though the other is found unconstitutional. Cited herein: Kan. Const., Art. 11, § 1; K.S.A. 79-201i; K.S.A. 1985 Supp. 79-201j; L. 1986, ch. 364, §§ 1, 2, 3 and 4. JLM

## Opinion No. 86-133

**State Departments; Public Officers and Employees—Public Officers and Employees; Open Public Meetings—Notice and Agenda of Meetings.** Jean S. Sagan, Associate General Counsel; Kansas Board of Regents, Topeka, September 17, 1986.

K.S.A. 1985 Supp. 75-4318(b)(1) provides that if a request for notice of meetings subject to the Kansas Open Meetings Act (KOMA) is made by petition, notice is required to be given only to a designated

person. We conclude that the request for notice submitted for our opinion constitutes a petition for purposes of the KOMA. Individual notice, therefore, is not required to be given to each person on the list. If individual requests for notice are made, however, notice must be given either in writing or by telephone to each person. We note that, if a public body has regularly scheduled meetings, the notice requirement is met by providing a single notice containing a list of such meetings. Additional notice must be given, however, of any changes or special meetings.

Under the open meetings law a distinction is made between the requirements concerning notice and agenda. While notice must be *furnished* to the person requesting it (K.S.A. 1985 Supp. 75-4318(b)), an agenda must be *made available* to the requester if one is prepared (K.S.A. 1985 Supp. 75-4318(d)). We affirm our previous opinion, No. 79-218, that a public body is not required to mail copies of an agenda if it can be obtained at a public place. Cited herein: K.S.A. 25-3601; 72-8801; 75-4317; K.S.A. 1985 Supp. 75-4318. RLN

#### Opinion No. 86-134

**Banks and Banking—Banking Code; Powers—1986 Senate Bill No. 432. Eugene T. Barrett, Bank Commissioner, Topeka, September 23, 1986.**

The 1986 Kansas Legislature enacted Senate Bill No. 432 (L. 1986, ch. 57) in response to numerous bank failures in one-bank towns. As an exception to the long-standing public policy against branch banking, L. 1986, ch. 57 grants a very limited form of branch banking under specifically delineated circumstances. L. 1986, ch. 57 is not preempted by federal law. All receivers of a failed state bank must comply with the provisions of L. 1986, ch. 57.

The State Bank Commissioner is involved in many facets of the closing and reopening of a failed bank, *i.e.* the initial pre-screening of potential bidders for a failed bank, the closing of the bank, ordering the receiver to pay creditors and shareholders of a failed bank, receiving reports from the receiver and removing the receiver for cause, approving receiver indebtedness, determining when a banking emergency exists, etc.

Once a party accepts the receivership, however, the commissioner does not take part in the bidding and purchasing process. The receiver, pursuant to L. 1986, ch. 57 and other Kansas law, takes charge upon appointment and administers the bidding and purchasing process.

L. 1986, ch. 57, § 2 mandates a four-tiered approach by which the receiver must abide in selling certain failed banks. If the failed bank is the only bank in a community of 3,500 or less and all attempts at rechartering the bank as a new bank have failed (tier one), limited branching is allowed. The branch bids must be received from banks in descending order in the county or contiguous county of the failed bank (tier two), from counties contiguous to contiguous counties (tier three), or from a community no more than 100 miles from the county lines of the failed bank (tier

four). Each tier must be thoroughly analyzed and all bids of the tier rejected before the receiver may analyze bids from the next level. Every effort must be made by the receiver to recharter the bank as a new (*de novo*) bank. Only when all else fails may the branch bids be reviewed and then only in the order recited above.

Under no circumstances may a *de novo* bid be rejected merely because a higher branch bid was offered. Separate evidence and a factual basis for rejection should be supplied by the receiver with every rejection.

L. 1986, ch. 57, § 2 does not conflict with the receiver's fiduciary duty to the shareholders, creditors and depositors of the failed bank. The receiver may strive for the maximum bid allowed under the law. The law mandates a tiered-bid system and the receiver may seek the maximum bid only within this system.

Cited herein: K.S.A. 1985 Supp. 9-520; K.S.A. 9-1801; 9-1802; 9-1903; 9-1905; K.S.A. 1985 Supp. 9-1906; K.S.A. 9-1907; 9-1908; 9-1911; L. 1947, ch. 102, § 40; L. 1957, ch. 72, § 1; L. 1967, ch. 70, § 1; L. 1973, ch. 46, § 1; L. 1975, ch. 43, § 1; L. 1978, ch. 45, § 2; L. 1984, ch. 48, § 5; L. 1984, ch. 49, § 2; L. 1984, ch. 50, § 1; L. 1986, ch. 57, §§ 1-2; 12 U.S.C. § 36; 12 U.S.C. § 321. TL

#### Opinion No. 86-135

**Public Health—Home Health Agencies—Scope of the Home Health Agency Act. Charles V. Hamm, Special Assistant to the Secretary, Department of Health and Environment, Topeka, September 23, 1986.**

A physician, when utilizing his own staff to provide home health services for a patient at the patient's residence, is subject to the requirements of the home health agency statutes and regulations. These laws apply to solo practitioners as well, when an agency relationship between doctor and staff exists. These laws do not apply when the doctor personally provides these home health services. Cited herein: K.S.A. 65-2837, as amended by L. 1986, ch. 229, § 42(b)(26); 65-5101; 65-5102; 65-5112; K.A.R. 28-51-100 *et seq.* (temporary, effective July 1, 1985). TL

ROBERT T. STEPHAN  
Attorney General

Doc. No. 004627

**State of Kansas**  
**KANSAS INSURANCE DEPARTMENT**  
**KANSAS CITIZENS COMMITTEE**  
**ON LEGAL LIABILITY**  
**NOTICE OF MEETING**

The Kansas Citizens Committee on Legal Liability will meet at 10 a.m. Tuesday, October 7, in the third floor conference room of the Kansas Insurance Department, 420 S.W. 9th, Topeka.

**FLETCHER BELL**  
 Commissioner of Insurance

Doc. No. 004615

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

The State Corporation Commission has issued an order which penalized the following operators for failure to renew their operator or contractor licenses as required by K.S.A. 55-155 and K.A.R. 82-3-120:

- Kilby & Kilby Oil Co., Inc.
- Nuoil Co., Inc.
- Wright, Wesley

Pursuant to K.S.A. 55-164, the matter is set for hearing at 1:30 p.m. Wednesday, October 15, in the conference room of the Conservation Division, 200 Colorado Derby Building, 202 W. 1st, Wichita.

**JAMES E. BROWNE**  
 Assistant General Counsel

Doc. No. 004626

**State of Kansas**  
**STATE CORPORATION COMMISSION**  
**NOTICE OF**  
**MOTOR CARRIER HEARINGS**

Applications set for hearing are to be heard at 9:30 a.m. before the State Corporation Commission, State Office Building, fourth floor, Topeka, unless otherwise noticed.

This list does not include cases previously assigned hearing dates for which parties of record have received notice.

Questions concerning applications for hearing dates should be addressed to the State Corporation Commission, 4th Floor, State Office Building, Topeka 66612, (913) 296-3808 or 296-2110.

Your attention is invited to Kansas Administrative Regulations (K.A.R.) 82-1-228, "Rules of Practice and Procedure Before the Commission."

**Applications set for October 23, 1986**

**Application for Certificate of Convenience and Necessity:**

J. W. Trucking, Inc. ) Docket No. 152,476 M  
 3300 Forrest )  
 Great Bend, KS 67530 )

Applicant's Attorney: John Jandera, 1610 S.W. Topeka Blvd., Topeka, KS 66612

*Agricultural machinery, implements and parts, building materials, iron and steel articles, construction machinery and equipment, and oil field equipment, material and supplies,*

Between points in the Kansas counties of Ellis, Russell, Ellsworth, Rice, McPherson, Harvey, Sedgwick, Reno, Barton, Stafford, Pawnee, Rush, Ness, Hodgeman, Edwards, Kiowa, Pratt and Kingman.

Also,

Between above named counties, on the one hand, and on the other, points in Kansas.

\*\*\*\*

**Application for Extension of Certificate of Convenience and Necessity:**

Flint Hills Express, Inc. ) Docket No. 82,750 M  
 1515 N. Washington )  
 Wichita, KS 67211 ) MC ID No. 117192

Applicant's Attorney: Clyde Christey, Southwest Plaza Building, Suite 202, 3601 W. 29th, Topeka, KS 66614

*General commodities (except household goods and classes A and B explosives),*

Between points and places on and east of U.S. 281. Also,

Between points and places in the above described area, on the one hand, and points and places in the state of Kansas, on the other hand.

\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

SWS Tank Service, Inc. ) Docket No. 151,518 M  
 P.O. Box 185 )  
 Cedar Vale, KS 67024 )

Applicant's Attorney: Clyde Christey, Southwest Plaza Building, Suite 202, 3601 W. 29th, Topeka, KS 66614

*Crude oil, used in and for production, processing, treating, salvage, construction and for lease road purposes, in bulk, fresh water and salt water,*

Between points and places in Chautauqua, Elk, Cowley, Butler and Montgomery counties, Kansas.

\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

Miles D. Shields, dba ) Docket No. 151,520 M  
 Shields Custom Services )  
 1831 Appleton )  
 Parsons, KS 67357 )

Applicant's Attorney: None

*Household goods,*

Between all points and places in Labette, Cherokee and Crawford counties, Kansas.

Also,  
Between all points and places in Labette, Cherokee and Crawford counties, Kansas, on the one hand, and all points and places in Kansas, on the other.

\*\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

Suffield, Inc., dba ) Docket No. 152,474 M  
Seneca Square Standard )  
3118 S. Seneca )  
Wichita, KS 67217 )

Applicant's Attorney: None

*Wrecked, disabled, repossessed and replacement motor vehicles and trailers,*

Between all points and places in Sedgwick, Sumner, Harper, Kingman, Reno, Harvey, Butler and Cowley counties, Kansas.

\*\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

Bobby Joe Covey, dba ) Docket No. 152,475 M  
Covey House Moving )  
P.O. Box 855 )  
Fort Scott, KS 66701 )

Applicant's Attorney: None

*Manufactured housing units (mobile homes, house trailers and prefab homes) and buildings,*

Between all points and places in Bourbon County, Kansas.

Also,

Between all points and places in Bourbon County, Kansas, on the one hand, and all points and places in the state of Kansas, on the other.

\*\*\*\*\*

**Application for Abandonment of Contract Carrier Permit:**

John Seybold & Gotthilf ) Docket No. 143,593 M  
Seybold, dba )  
Seybold Bros. )  
Republic, KS 66964 ) MC ID No. 100111

Applicant's Attorney: None

\*\*\*\*\*

**Applications set for October 28, 1986**

**Application for Certificate of Convenience and Necessity:**

James Rusell Haynes, dba ) Docket No. 151,519 M  
H and H Trucking )  
320 N. Arbelle )  
Tyrone, OK 73951 )

Applicant's Attorney: None

*Grain and livestock,*

Between all points and places in Stanton, Ford,

Grant, Morton, Stevens, Finney, Haskell, Seward, Gray, Meade, Kearny and Hamilton counties, Kansas.

Also,

Between all points and places in the above named counties, on the one hand, and all points and places in the state of Kansas, on the other.

\*\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

William J. & Louise ) Docket No. 152,477 M  
Gourdin, dba )  
Gourdin Trucking )  
HCO1, Box 3I )  
513 N.E. Avenue )  
Hugoton, KS 67951 )

Applicant's Attorney: None

*Grain, feed, hay, livestock, fertilizer and bulk liquids,*

Between all points and places in the state of Kansas.

\*\*\*\*\*

**Application for Certificate of Convenience and Necessity:**

J. B. Tank Truck, Inc. ) Docket No. 152,478 M  
421 N. 20th )  
Blackwell, OK 74631 )

Applicant's Attorney: Clyde Christey, Southwest Plaza Building, Suite 202, 3601 W. 29th, Topeka, KS 66614

*Crude oil used in and for production, processing, treating, salvage, construction and for lease road purposes, in bulk, fresh water and salt water,*

Between points and places in Barber, Harper, Sumner, Cowley, Chautauqua, Kingman, Sedgwick, Butler and Elk counties, Kansas.

*Grain, dry feed, dry feed ingredients, fertilizer (except anhydrous ammonia) and seeds,*

Between points and places in Wyandotte, Saline, Barton, Rice, McPherson, Marion, Chase, Lyon, Stafford, Reno, Harvey, Edwards, Kiowa, Pratt, Kingman, Sedgwick, Butler, Greenwood, Elk, Comanche, Barber, Harper, Sumner, Cowley and Chautauqua counties.

Also,

Between points and places in the above described territory, on the one hand, and points and places in the state of Kansas, on the other hand.

\*\*\*\*\*

WILLIAM E. GREEN  
Administrator  
Transportation Division

Doc. No. 004619

## State of Kansas

## LEGISLATURE

## INTERIM AGENDA

The following committee meetings have been scheduled during the period of October 6 through October 17, 1986:

Date	Room	Time	Committee	Agenda
Oct. 7	123-S	10:00 a.m.	State Task Force on Parimutuel	Work session.
Oct. 7			Special Committee on Legislative Apportionment	CANCELLED.
Oct. 9 Oct. 10	Tour 123-S	7:00 a.m. 9:00 a.m.	Joint Committee on State Building Construction	9th: Tour of selected state agencies in western Kansas. 10th: Presentation by the State Fair and the Board of Agriculture on FY 1988 capital improvement requests; Presentation of final plans for metal buildings at the Ellsworth Correctional Work Facility.
Oct. 9 Oct. 10	313-S 313-S	10:00 a.m. 9:00 a.m.	Special Committee on Tort Reform and Liability Insurance	9th: Recommendation of the 1986 Citizens Committee on Legal Liability; Committee discussion of bill drafts. 10th: Committee discussion of bill drafts.
Oct. 13 Oct. 14	514-S 514-S	10:00 a.m. 9:00 a.m.	Special Committee on Ways and Means	Agenda to be determined.
Oct. 14 Oct. 15	527-S 527-S	10:00 a.m. 9:00 a.m.	Legislative Educational Planning Committee	Agenda to be determined.
Oct. 14 Oct. 15	519-S 519-S	10:00 a.m. 9:00 a.m.	Special Committee on Transportation	Agenda to be determined.
Oct. 15 Oct. 16	123-S 123-S	10:00 a.m. 9:00 a.m.	Task Force on Capital Markets—Legislative Commission on Economic Development	Consideration of umbrella-bond programs and export finance.
Oct. 16 Oct. 17	514-S 514-S	10:00 a.m. 9:00 a.m.	Special Committee on Federal and State Affairs	Agenda to be determine.
Oct. 16 Oct. 17	519-S 519-S	10:00 a.m. 9:00 a.m.	Special Committee on Judiciary	16th: Proposal No. 20—Children's Task Force; Committee discussion. 17th: Committee discussion and directions to staff.



Oct. 16	526-S	10:00 a.m.	Task Force on	Agenda to be determined.
Oct. 17	526-S	9:00 a.m.	Agriculture—Legislative Commission on Economic Development	

WILLIAM R. BACHMAN  
Director of Legislative  
Administrative Services

Doc. No. 004631

State of Kansas

**BOARD OF REGENTS  
WICHITA STATE UNIVERSITY**

**NOTICE OF HEARING ON  
PROPOSED TRAFFIC REGULATIONS**

A public hearing will be held at 3 p.m. C.D.T. Friday, October 17, at the Campus Activities Center, Room 210, Wichita State University, Wichita, concerning the adoption by the administration of the Wichita State University of regulations governing traffic and parking on the roads, streets, driveways and parking facilities at Wichita State University.

Interested persons will be given a reasonable opportunity to present their views concerning the adoption of the proposed amendments to the existing regulations. Written comments may also be submitted but must be received prior to the hearing. Written comments or a request for a copy of the proposed regulations and a copy of the financial impact statement of such changes should be submitted to Milton L. Myers, Chief of University Police, Wichita State University, 1845 Fairmount, Wichita 67208.

The following is a summary of the substance of the rules and the proposed changes:

**Article 1—Policy.** Current regulations specify the purpose of the traffic and parking regulations and provide for the development of the regulations by the University Traffic Committee. Current regulations also specify that Wichita State University assumes no responsibility or liability for the care and protection of any vehicle while on university property. No changes are proposed.

**Article 2—Definitions.** Current regulations specify the meanings of words and phrases as used in traffic rules and regulations. No changes are proposed.

**Article 3—General Information.** Current regulations specify individual responsibility for compliance with traffic and parking regulations, prohibit major repairs to vehicles on university property, specify certain areas where parking is prohibited and provide for the removal of vehicles constituting a hazard or abandoned vehicles. No amendments are proposed.

**Article 4—Registration of Vehicles.** Current regulations specify the condition under which faculty, staff, students and visitors must register vehicles and display parking permits. The current regulations also establish the procedure by which parking permits for vehicles may be obtained, the types of permits available and parking fees assessed to faculty, staff and students. The proposed amendment will provide that parking fees for faculty and staff will be waived effective January 1, 1987. The purpose of the proposed amendment is to provide an additional fringe benefit for members of the faculty and staff.

**Article 5—Parking Regulations.** Current regulations specify where and when vehicles may be parked and also provide certain restrictions, conditions and limitations during certain times. Provisions also specify for removal of vehicles from campus. No amendments are proposed.

**Article 6—Traffic Regulations.** Current regulations regulate the conduct of vehicles and pedestrians on campus. No amendments proposed.

**Article 7—Violations.** The current regulations specify prohibited acts and the penalties for misuse of parking areas and moving violations. No amendments are proposed.

**Article 8—All Payment of Violation Notices and Fines.** The current regulations specify where violation fines are to be paid and the penalties for failure to pay violation fines. No amendments are proposed.

**Article 9—Appeal of Violation Notices.** The current regulations specify the procedures for appeals from a charge of misuse of parking or traffic violations. No amendments are proposed.

**Article 10—Bicycles/Tricycles.** Current regulations specify provisions for operating and parking bicycles/tricycles on campus. No amendments are proposed.

TED D. AYRES  
General Counsel  
Kansas Board of Regents

Doc. No. 004630

## State of Kansas

**SECRETARY OF STATE****EXECUTIVE APPOINTMENTS**

Executive appointments made by the Governor, and in some cases by other state officials, are filed with the Secretary of State's office.

Complete listings of state agencies, boards and commissions are included in the Kansas Directory. County officials are listed in the Directory of County Officers. Both directories are published by the Secretary of State's office and are available free of charge.

The following appointments were filed September 8 through September 30:

**Accountancy, State Board of**

**Horton E. Goss**, 2355 N. Richmond, Wichita 67204. Effective September 17, 1986. Expires July 31, 1989. Reappointment.

**Gary H. Parker**, 2621 N. 3rd, Garden City 67846. Effective September 17, 1986. Expires July 31, 1989. Succeeds Robert A. Pfeifer.

**Acting Secretary of Administration**

**Arthur H. Griggs**, 1277 S.W. Randolph Ave., Topeka 66604. Effective October 1, 1986. Serves at the pleasure of the Governor. Succeeds Alden K. Shields, resigned.

**Animal Health Board, Kansas**

**Herb Bowman**, Route 2, Box 72, Larned 67550. Effective September 19, 1986. Expires July 1, 1989. Reappointment.

**David A. Breiner**, Route 2, Alma 66401. Effective September 19, 1986. Expires July 1, 1988. Reappointment.

**Ralph Rindt**, Route 2, Herington 67449. Effective September 19, 1986. Expires July 1, 1989. Succeeds Dennis D. Hupe.

**Robert E. Williams**, D.V.M., Route 1, Moline 67353. Effective September 19, 1986. Expires July 1, 1988. Reappointment.

**Corrections Ombudsman Board**

**William E. Richards, Sr.**, 708 Fillmore, Topeka 66606. Effective September 17, 1986. Expires August 31, 1990. Reappointment.

**Dental Board, Kansas**

**Phyllis Watkins**, 643 Indiana, Lawrence 66044. Effective September 12, 1986. Expires April 30, 1990. Succeeds Robert L. Stephens.

**Education Commission of the States**

**E. L. Kinch**, 2245 W. 18th, Wichita 67203. Effective September 12, 1986. Expires May 8, 1988. Reappointment.

**Harry L. Stephens**, 2602 Monterey Drive, Emporia 66801. Effective September 12, 1986. Expires May 8, 1988. Reappointment.

**Employment and Training, Kansas Council on**

(Terms effective September 24, 1986.

Members serve at the pleasure of the Governor.)

**Donald L. Boyd**, 2313 Claflin, Manhattan 66502. Succeeds Eduardo Ramirez.

**Robert E. Lincoln**, Route 4, Box 65A, Emporia 66801.

**Betty McBride**, 429 S. Delaware, Columbus 66725. Succeeds John L. McCullough, resigned.

**Jay Newton**, 8 10th St. Court, Newton 67114.

**Debie O'Shea**, 8825 Gallery, Lenexa 66215.

**Bettie Williams**, Route 3, Box 125, Girard 66762. Succeeds Buddy Baker, resigned.

**Fire Protection Personnel Standards and Education, Governor's Commission on**

**Fred J. Gainous**, 5851 Candletree, Apt. 13, Topeka 66614. Effective September 19, 1986. Expires July 1, 1989. Succeeds Dean M. Prochaska.

**Milton L. Rice**, Box 638, Liberal 67901. Effective September 19, 1986. Expires July 1, 1989. Succeeds Dave Robertson.

**James A. Todd**, 2946 S. Elizabeth, Wichita 67217. Effective September 19, 1986. Expires July 1, 1990. Succeeds William W. Robbins.

**John P. Wolf**, 435 Maine, Lawrence 66044. Effective September 19, 1986. Expires July 1, 1987. Succeeds Max M. Thomas, resigned.

**Hazardous Waste Disposal Facility Approval Board**

**John W. Keller**, 1310 N. 9th, Manhattan 66502. Effective September 12, 1986. Subject to Senate confirmation. Expires July 1, 1989. Reappointment.

**Healing Arts, State Board of**

**Harold E. Bryan, D.C.**, 714 S. Judson, Fort Scott 66701. Effective September 12, 1986. Expires June 30, 1990. Succeeds James R. Croy, D.C.

**Glenn I. Kerbs**, 2212 Woodrow, Dodge City 67801. Effective September 12, 1986. Expires June 30, 1990. New position.

**Tom Rehorn**, 4146 State Line, Kansas City 66103. Effective September 12, 1986. Expires June 30, 1990. New position.

**Rex A. Wright, D.C.**, 643 N.E. 62nd, Topeka 66617. Effective September 12, 1986. Expires June 30, 1990. Reappointment.

**Health, Advisory Commission on**

**Esther Sobering**, 2803 Claflin Road, Manhattan 66502. Effective September 24, 1986. Expires June 30, 1989. New position.

**Hispanic Affairs, Advisory Committee on**

**Jeannie Chavez-Martinez**, 2014 Fellows, Parsons 67357. Effective September 12, 1986. Expires June 30, 1989. Reappointment.

**Anna R. Gallardo**, P.O. Box 31, Garden City 67846. Effective September 12, 1986. Expires June 30, 1989. Reappointment.

**Lupe M. Gonzalez**, 4212 Minnie, Kansas City 66103. Effective September 12, 1986. Expires June 30, 1989. Succeeds John J. Mendez.

**José M. Olivas**, 1000 N. Cheyenne, Ulysses 67880. Effective September 12, 1986. Expires June 30, 1989. Succeeds Raul Velasquez.

#### Military Disability Board

**Maj. John A. Priddle**, 2251 Westport Place, Topeka 66614. Effective September 24, 1986. Serves at the pleasure of the Governor. Succeeds Lt. Col. Larry C. Lovett.

**Col. John H. White**, 402 N. Washington, Council Grove 66846. Effective September 24, 1986. Serves at the pleasure of the Governor. Succeeds Brig. Gen. Alonzo D. Dougherty, Jr.

**Col. Joseph E. Wolfenberger**, 5510 Village Drive, Topeka 66604. Effective September 24, 1986. Serves at the pleasure of the Governor. Succeeds Col. Rex H. Bartlow.

#### Municipal Accounting Board, State

**Russell Breitenstein**, 1925 N. 69th Terrace, Kansas City 66102. Effective September 12, 1986. Expires June 30, 1990. Reappointment.

**Richard O. Button**, 1000 Harris, Dodge City 67801. Effective September 12, 1986. Expires June 30, 1989. Reappointment.

**Robert E. Duncan II**, 2718 Burnett Road, Topeka 66614. Effective September 12, 1986. Expires June 30, 1990. Succeeds Laura Hendricks.

**Betty J. McBride**, 429 S. Delaware, Columbus 66725. Effective September 12, 1986. Expires June 30, 1988. Succeeds Shirley Pimlott.

**Victor Oelke**, 1175 W. 3rd, Colby 67701. Effective September 12, 1986. Expires June 30, 1989. Reappointment.

#### Podiatry, Advisory Committee on

**Harold J. Sauder, D.P.M.**, 417 N. 10th, Independence 67301. Effective September 17, 1986. Expires September 1, 1990. Reappointment.

#### Public Employee Relations Board

**Jim Mangan**, 511 Clover, Dodge City 67801. Effective September 19, 1986. Subject to Senate confirmation. Expires July 1, 1990. Reappointment.

**Art J. Veach**, 159 N. Meridian, Wichita 67203. Effective September 19, 1986. Subject to Senate confirmation. Expires July 1, 1990. Reappointment.

#### Marshall County Sheriff

**Kenneth L. Coggins**, 910 Lincoln, Blue Rapids 66411. Effective September 22, 1986. Expires when a successor is elected and qualifies according to law. Succeeds Steve Wanamaker, resigned.

**JACK H. BRIER**  
Secretary of State

#### State of Kansas

### KANSAS JUDICIAL COUNCIL

#### NOTICE OF MEETINGS

The Kansas Judicial Council and its advisory committees will meet at the following times at the Kansas Judicial Center, 301 W. 10th, Topeka.

Date	Committee	Time	Location
Oct. 3	Probate Law	9:00 a.m.	Room 259
Oct. 10	Attorney Fees	9:30 a.m.	Room 259
Oct. 10	Family Law	9:30 a.m.	Room 266
Oct. 21	Adm. Procedure	9:30 a.m.	Room 259
Oct. 22	Adm. Procedure	9:30 a.m.	Room 259
Oct. 31	Attorney Fees	9:30 a.m.	Room 259

**DAVID PRAGER**, Chairman  
Kansas Judicial Council

Doc. No. 004628

#### State of Kansas

### SOCIAL AND REHABILITATION SERVICES

#### REQUEST FOR PROPOSALS FOR SOCIAL SERVICES

The Department of Social and Rehabilitation Services will accept applications for the provision of social services to refugees during the period April 1, 1987 through March 31, 1988. Applications must be received in area SRS offices by November 21, 1986. Applications received after that date will not be considered.

Instructions for completing the application are described in the RFP packet, available on request from area SRS offices or from Phil Gutierrez, Department of Social and Rehabilitation Services, P.O. Box 30, Topeka 66601, (913) 296-3349.

**ROBERT C. HARDER**  
Secretary of Social and  
Rehabilitation Services

Doc. No. 004633

#### State of Kansas

### DEPARTMENT OF ADMINISTRATION DIVISION OF PURCHASES

#### NOTICE TO BIDDERS

Sealed bids for the following items 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.

**TUESDAY, OCTOBER 14, 1986**

#27387

University of Kansas Medical Center and statewide agencies—**SYRINGES AND NEEDLES (Class 11)**

#27392

University of Kansas Medical Center—**HEMATOLOGY CONTROLS**

(continued)

#27396  
University of Kansas, Watkins Memorial  
Hospital—SPECIAL DIET MEALS (Inpatient  
Foodservice)

#67115  
Kansas Fish and Game Commission—  
NETS—AQUATIC

#67116  
Kansas State University—CONTINUOUS  
ENROLLMENT FORMS

#67120  
University of Kansas—FLOOR MACHINES

#67121  
Kansas State University—VACUUM APPARATUS

#67143  
Kansas State University—SOYBEAN MEAL

**WEDNESDAY, OCTOBER 15, 1986**

#A-5576  
Topeka State Hospital—REROOF SLAGLE  
BUILDING

#27393  
Kansas Correctional Industries—LIQUID  
DETERGENT CONCENTRATE

#67098  
Various state agencies—SALE OF USED  
COMPUTER EQUIPMENT

#67126  
Osawatomie State Hospital—DORM FURNITURE

#67129  
Department of Transportation—AB-3 AGGREGATE,  
ALT. AS-1 AGGREGATE, Riley County

#67145  
University of Kansas—ALLEN FIELD HOUSE,  
ROOM 139A, REMODELING FOR LAUNDRY  
FACILITY

#67173  
University of Kansas Medical Center—LAB  
EQUIPMENT

#67174  
University of Kansas Medical Center—  
DENSITOMETER

#67175  
Kansas State University—LINE PRINTER

#67186  
Department of Transportation—  
CHROMATOGRAPHY SYSTEM

**THURSDAY, OCTOBER 16, 1986**

#67134  
Kansas State Penitentiary—AMMO

#67140  
Kansas State University—TRACTOR

#67141  
University of Kansas—FLOOR MACHINES

#67142  
University of Kansas Medical Center—BICAP  
SYSTEM (Coagulation)

#67144  
University of Kansas Medical Center—PLAIN  
PAPER COPIER—100M-300M VOLUME

#67150  
Kansas State University—TRANSFORMERS

#67163  
University of Kansas Medical Center—LAB  
EQUIPMENT

#67164  
University of Kansas Medical Center—ANIMAL  
RACKS/CAGES

#67166  
University of Kansas—FUSES

#67169  
Department of Administration, Buildings and  
Grounds Services—FLOOR MACHINES

#67172  
University of Kansas Medical Center—LAB  
APPARATUS

**FRIDAY, OCTOBER 17, 1986**

#67060  
Various state agencies—MOVING SERVICES

#67151  
Kansas State University—MICROCOMPUTER—H.P.  
COMPATIBLE

#67152  
Kansas State University—HARD DISK  
DRIVE/PLOTTER

#67153  
Department of Administration, Division of  
Information Systems and Communications—REMOTE  
JOB ENTRY TERMINALS

#67154  
University of Kansas—MICROCOMPUTER—AT  
COMPATIBLE

#67155  
University of Kansas—FIREARM TRAINING  
SIMULATOR

#67160  
University of Kansas Medical Center—LAB  
FREEZER/RECORDER

#67161  
University of Kansas Medical Center—  
CENTRIFUGE ROTOR

#67162  
University of Kansas Medical Center—HPLC  
ACCESSORIES

#67165  
University of Kansas—VANS

#67167  
University of Kansas—STUDENT DESK CHAIRS

#67168  
Kansas Public Employees Retirement  
System—MICROFILM JACKET LOADER

#67184  
Kansas Public Employees Retirement System—  
FILE FOLDERS

#67185  
Department of Revenue—MAGNETIC TAPE

#67188  
Kansas Correctional Industries—Twill FABRIC,  
Hutchinson

#67189  
Kansas State University—DISPOSAL OF PCB  
TRANSFORMERS

#67195  
Wchita State University—ASBESTOS REMOVAL

**MONDAY, OCTOBER 20, 1986**

#67176  
University of Kansas Medical Center—CARPET

NICHOLAS B. ROACH  
Director of Purchases

Doc. No. 004632

(Published in the KANSAS REGISTER, October 2, 1986.)

**NOTICE OF REDEMPTION  
RENO COUNTY, KANSAS  
SINGLE, FAMILY MORTGAGE  
REVENUE BONDS  
1979 SERIES A  
SERIAL BONDS DUE  
NOVEMBER 1987-1999  
TERM BONDS DUE  
NOVEMBER 1, 2010**

Notice is hereby given that \$385,000 principal amount of the bonds, as listed below, are called for redemption on November 1, 1986 at the redemption price of 100 percent of the principal amount being redeemed plus accrued interest thereon to the redemption date.

The serial numbers of the coupon bonds to be redeemed in full are as follows:

231	875	1467	2052	2634	3216	3798
277	930	1520	2104	2686	3269	3852
330	981	1573	2156	2739	3322	3905
383	1042	1626	2240	2792	3373	3923
427	1092	1679	2267	2845	3428	3942
515	1156	1732	2315	2895	3481	3958
596	1194	1785	2368	2951	3534	
653	1234	1838	2421	3004	3587	
729	1308	1891	2474	3057	3640	
767	1361	1945	2527	3110	3693	
823	1420	1997	2580	3163	3746	

The serial numbers of the registered bonds to be redeemed in part is:

Bond Number	Principal Amount	Amount Called
R216	\$10,000	\$5,000
R338	5,000	5,000
R348	15,000	5,000
R351	5,000	5,000
R358	5,000	5,000

On November 1, 1986, all bonds designated for redemption will become due and payable upon presentation thereof to one of the offices of the paying agents.

Coupon bonds with the May 1, 1987 coupon and all subsequent coupons attached should be presented to one of the offices of the paying agents:

Continental Illinois National Bank and Trust Company of Chicago  
Attention: Corporate Trust Operations  
30 N. LaSalle St., 16th Floor  
Chicago, IL 60697

Marine Midland Bank, N.A.  
Coupon Paying Department  
140 Broadway, 12th Floor  
New York, NY 10010

Kansas State Bank and Trust Company  
Attention: Trust Department  
123 N. Market  
P.O. Box 427  
Wichita, KS 67201

The registered bonds should be presented to the principal paying agent, Continental Illinois National Bank and Trust Company.

Interest on the bonds called for redemption will cease to accrue on November 1, 1986.

Coupons for November 1, 1986 may be detached and presented in the usual manner.

Under the provisions of the Interest and Dividend Tax Compliance Act of 1983, paying agents making payments of interest or principal on corporate securities or making payments of principal on municipal securities, may be obligated to withhold a 20 percent tax from remittances to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Holders of the above described securities who wish to avoid the imposition of this tax should submit certified taxpayer identification numbers when presenting their securities for collection.

Dated September 26, 1986.

By Continental Illinois National Bank and Trust Company of Chicago, Trustee

Doc. No. 004620

(Published in the KANSAS REGISTER, October 2, 1986.)

**NOTICE OF REDEMPTION  
CITY OF LA CROSSE, KANSAS  
INDUSTRIAL DEVELOPMENT  
REVENUE BONDS  
SERIES A, 1976  
(PIVONKA'S INC.)**

In accordance with written instructions received by the undersigned from Rush County Implement, Inc., a Kansas corporation, assignee of Pivonka's Inc., notice is hereby given that pursuant to Section 4 of Ordinance No. 621 of the city of La Crosse, Kansas, passed and approved on June 10, 1976, there will be redeemed on November 1, 1986 all outstanding city of La Crosse, Kansas, industrial development revenue bonds, series A, 1976, which bonds mature on May 1 in each of the years from 1987 to 1991, inclusive, and are numbered from 26 to 45, inclusive. Said bonds will be redeemed at a redemption price equal to the principal amount thereof, plus 2 percent of the principal amount thereof, plus accrued interest thereon to said redemption date.

On November 1, 1986, all bonds will be due and payable at the principal office of the Southwest National Bank of Wichita, Wichita, Kansas. All coupons maturing subsequent to November 1, 1986 must be attached and surrendered with said bonds. From and after November 1, 1986, interest on the aforesaid bonds will cease to accrue.

Dated September 29, 1986.

THE SOUTHWEST NATIONAL BANK  
OF WICHITA  
Fiscal Agent  
P.O. Box 1401  
Wichita, KS 67201

Doc. No. 004623

(Published in the KANSAS REGISTER, October 2, 1986.)

**OFFICIAL NOTICE OF BOND SALE  
\$2,000,000**

**THE BOARD OF REGENTS  
OF THE STATE OF KANSAS  
TOPEKA, KANSAS**

**KANSAS STATE UNIVERSITY OF  
AGRICULTURE AND APPLIED SCIENCE  
MANHATTAN, KANSAS**

**STUDENT FEE COLISEUM REVENUE BONDS  
SERIES 1986**

Sealed bids will be received by the executive director of the Board of Regents of the State of Kansas at the office of the Board of Regents, Suite 609, Capitol Tower, 8th and Harrison, Topeka, KS 66603, until 10:30 a.m. C.D.T. on October 17, 1986, for the purchase of \$2,000,000 Board of Regents of the State of Kansas, Kansas State University of Agriculture and Applied Science, Manhattan, Kansas, student fee coliseum revenue bonds, series 1986, at which time and place said bids will be publicly opened.

**Description of Bonds**

The series 1986 bonds will be dated as of November 1, 1986, and shall mature on May 1 in each of the years and in the amounts set forth below. The bonds shall consist of fully registered certificated bonds in denominations of \$5,000 or integral multiples thereof not exceeding the principal amount of bonds maturing in each year. Interest will be payable semiannually commencing May 1, 1987, and on each November 1 and May 1 thereafter. 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 mailing of check or draft of the paying agent to the registered owners thereof as their names appear on the registration 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 Board of Regents.

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

Principal Amount	Maturity Date
\$ 20,000	05/01/87
310,000	05/01/88
330,000	05/01/89
350,000	05/01/90
375,000	05/01/91
405,000	05/01/92
210,000	05/01/93

**Interest Rate**

Proposals will be received on the bonds 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 1/8 or 1/20 of 1 percent. 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 date on which the bonds are sold (October 13, 1986), plus 2 percent; 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.

**Bid Form and Good Faith Deposit**

Bids shall be submitted on the official bid form furnished by the Board of Regents and shall be addressed to: Board of Regents, Suite 609, Capitol Tower, 8th and Harrison, Topeka, KS 66603, Attn: Stanley Z. Koplik, Executive Director, 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 Board of Regents 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 Board of Regents of the State of 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 Board of Regents as liquidated damages. The checks of unsuccessful bidders will be returned promptly.

**Award of Bonds**

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 Board of Regents reserves the right to reject any and all 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 Board of Regents, 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.

**Purpose**

The bonds are being issued for the purpose of providing funds to be used to pay a portion of the cost of constructing and equipping a coliseum facility, together with the necessary appurtenant facilities, to be located on the campus of Kansas State University of Agriculture and Applied Science, Manhattan, Kansas. The bonds are being issued under and in full compliance with the Constitution and the laws of the state of Kansas, including K.S.A. 76-6a12 to 76-6a35, inclusive, and all acts amendatory and supplemental thereto, and a resolution of the Board of Regents of the State of Kansas which is intended to be adopted by said board on October 17, 1986.

**Legality**

The bonds, duly printed, executed and registered in the office of the Treasurer of the State of Kansas, will be furnished by the Board of Regents of the State of

Kansas, and will be sold subject to the approving opinion of Winton M. Hinkle, P.A., 125 N. Market, Suite 1250, Wichita, KS 67202, whose unqualified approving opinion will be furnished and paid for by the Board of Regents. The opinion will also be printed upon each of the bonds. The purchaser will be furnished with a certified 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. The final delivery certificate which will be executed and delivered to the successful bidder at the time and place of the delivery of and payment for the bonds, which will be signed by the chairman and executive director of the Board of Regents, will contain the following certification, among others:

"The Official Statement and Official Notice of Bond Sale, dated as of October 17, 1986, and as of its date, as of the date of sale, October 17, 1986, and as of the date of the delivery of the Bonds, do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the light of the circumstances in which they are made not misleading.

"No material adverse change has occurred in the financial condition of The Board of Regents of the State of Kansas, or of Kansas State University of Agriculture and Applied Science, since the date of the Official Statement and Official Notice of Bond Sale or since the date of the sale, October 17, 1986."

#### Security

All of the bonds are secured by and will be payable from a first lien on and irrevocable pledge of the net revenues to be derived from fees which the Board of Regents covenants will be levied upon all regularly enrolled students at Kansas State University of Agriculture and Applied Science, which fees shall be sufficient to produce net revenues sufficient to meet all debt service and reserve requirements for the bonds.

The bonds will constitute special obligations of the Board of Regents of the State of Kansas and are payable as to both principal and interest solely and only out of the net revenues derived and to be derived from said fees, and the same shall not be an indebtedness of the state of Kansas or the Board of Regents of the State of Kansas or a pledge of the full faith and credit of the state of Kansas or of the Board of Regents of the State of Kansas or any political subdivision thereof.

#### Additional Bonds

Provision has been made for the Board of Regents, upon meeting certain conditions, to issue additional parity revenue bonds which would be secured by and payable from the net revenues to be derived from the fees which secure and have been irrevocably pledged to the payment of the bonds described herein.

#### Delivery of Bonds

The bonds will be delivered to the purchaser on or about December 2, 1986. Place of delivery will be at any bank or trust company in the cities of Wichita, Kansas City or Topeka, Kansas or Kansas City, Missouri, as the purchaser may specify in writing to the Board of Regents not later than November 14, 1986. The number, denominations of bonds, and the names

of the initial registered owners to be initially printed on the bonds shall be submitted in writing by the successful bidder to the bond registrar not later than November 7, 1986. Delivery of the bonds at any place other than in those cities specified shall be at the expense of the purchaser. Payment for the bonds must be made in federal reserve funds.

#### Pending Legislation Pertaining to Tax Exemption

On December 17, 1985, the United States House of Representatives passed H.R. 3838, the Tax Reform Act of 1985. The bill, which presently is pending in the United States Senate, 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 United States Senate passed a version of H.R. 3838. A conference committee version of H.R. 3838 was passed on August 16, 1986. The Board of Regents will covenant to comply with the requirements of the provisions of the bill to maintain the tax exempt status of the bonds. The opinion of bond counsel will state that under existing laws and regulations, the interest on the bonds is exempt from federal income taxation and, assuming continued compliance by the Board of Regents with such covenant, interest on the bonds would continue to be exempt from federal income taxation if the bill becomes law in its present form; except that for taxable years beginning after 1987, the interest on the bonds could be included in adjusted net gain for purposes of the minimum tax imposed on property and casualty insurers under Section 1023 of the bill.

The Board of Regents will designate the bonds as "qualified tax-exempt obligations" as defined in Section 802(e)(3) of the conference committee report on H.R. 3838, dated August 16, 1986.

#### Investment in Bonds

The bonds will constitute a legal investment for any bank, trust or insurance company organized under the laws of the state of Kansas, and the bonds are approved as collateral security for the deposit of any public funds in the state of Kansas and for the investment of trust funds in the state of Kansas.

#### Official Statement

Additional copies of this notice of bond sale, copies of the official statement relating to the bonds, or further information may be received from the office of the Assistant Vice President for Administration and Finance, Kansas State University, Anderson Hall, Manhattan, KS 66506.

Dated September 19, 1986.

STANLEY Z. KOPLIK  
Executive Director  
Board of Regents

Doc. No. 004629

(Published in the KANSAS REGISTER, October 2, 1986.)

**NOTICE OF BOND SALE**  
**\$87,000**  
**GENERAL OBLIGATION**  
**INTERNAL IMPROVEMENT BONDS**  
**SERIES 1986**  
**OF THE**  
**CITY OF NORTH NEWTON, KANSAS**

**Sealed Bids**

Sealed bids will be received at the office of the City Clerk, City Hall, 2601 N. Main, North Newton, Kansas, until 6 p.m. C.D.T. on Thursday, October 9, 1986, for the purchase of \$87,000 principal amount of general obligation internal improvement bonds, series 1986, of the city hereinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the governing body at 6 p.m. October 9, 1986. No oral or auction bids will be considered.

**Bond Details**

The bonds will consist of fully registered bonds in denominations of \$5,000 or any integral multiple thereof, except one bond in the amount of \$2,000, dated October 1, 1986, and becoming due serially on October 1 in the years as follows:

Year	Principal Amount
1987	\$ 2,000
1988	5,000
1989	5,000
1990	10,000
1991	10,000
1992	10,000
1993	10,000
1994	10,000
1995	10,000
1996	15,000

The bonds will bear interest from the date thereof at rates to be determined when the bonds are sold as hereinafter provided, which interest will be payable semiannually on April 1 and October 1 in each year, beginning on April 1, 1987.

**Place of Payment and Bond Registration**

The principal of and interest on the bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the paying agent and bond registrar), to the registered owners thereof whose names are on the registration books of the bond registrar as of the 15th day of the month preceding each interest payment date. The bonds will be registered pursuant to a plan of registration approved by the city and the Attorney General of the State of Kansas.

The city will pay for the fees of the bond registrar for registration and transfer of the bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the bond registrar, will be the responsibility of the bondowners.

The number and denominations of the bonds and the names, addresses and social security or taxpayer identification numbers of the registered owners shall be submitted in writing by the successful bidder to the

city and bond registrar at least two weeks prior to the closing date.

**Redemption of Bonds Prior to Maturity**

Bonds maturing in the years 1987 to 1993, inclusive, shall become due without option of prior payment. At the option of the city, bonds maturing in the year 1994, 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 October 1, 1993, or on any interest payment date thereafter at the redemption price of 101 percent (expressed as a percentage of the principal amount), plus accrued interest to the redemption date.

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 notice 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.

**Conditions of Bids**

Proposals will be received on the bonds bearing such rate or rates of interest, as may be specified by the bidders, subject to the following conditions: The same rate shall apply to all bonds of the same maturity. Each interest rate specified shall be a multiple of 1/8 or 1/20 of 1 percent. No interest rate shall exceed a rate equal to 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, plus 2 percent. The difference between the highest rate specified and the lowest rate specified shall not exceed 3 percent. No bid of less than the entire par value of the bonds and accrued interest thereon to the date of delivery will be considered and no supplemental interest payments will be authorized. Each bid shall specify the total interest cost to the city during the life of the bonds on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the city on the basis of such bid, 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 shall also specify the average annual net interest rate to the city on the basis of such bid.



### Basis of Award

The award of the bonds will be made on the basis of the lowest net interest cost to the city, which will be determined by subtracting the amount of the premium bid, if any, from the total interest cost to the city. If there is any discrepancy between the net interest cost and the average annual net interest rate specified, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts of the lowest net interest cost are received, the governing body shall determine which bid, if any, shall be accepted, and its determination shall be final. The city reserves the right to reject any and all bids and to waive any irregularities in a submitted bid.

### Authority, Purpose and Security

The bonds are being issued pursuant to K.S.A. 12-685 *et seq.*, and K.S.A. 12-6a01 *et seq.*, as amended and supplemented, for the purpose of paying the cost of certain street, curb, and gutter improvements within the city. The bonds and the interest thereon will constitute general obligations of the city, payable in part from special assessments levied upon the property benefited by the construction of said improvements and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city, with the balance payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city.

### Pending Federal Legislation Concerning Tax Exempt Obligations

On December 17, 1985, the United States House of Representatives adopted H.R. 3838, which includes an extensive revision of the federal income tax affecting tax exempt financing. If H.R. 3838 is enacted into law in the form adopted by the House of Representatives, its provisions would generally apply to obligations issued or incurred after December 31, 1985 and, therefore, would apply to the bonds. H.R. 3838 as adopted by the House of Representatives contains certain provisions that expand upon certain requirements of existing law such as timely and proper expenditure of proceeds and requires continuing compliance by an issuer of tax exempt obligations to preserve the tax exempt status of interest on such obligations. The transaction involving the issuance of the bonds has been structured in a manner which would comply with all provisions of H.R. 3838, as adopted by the House of Representatives.

Based upon bond counsel's analysis of H.R. 3838, bond counsel is of the opinion that interest paid on the bonds would be exempt from federal income taxation in the event that H.R. 3838, as adopted by the United States House of Representatives on December 17, 1985, is enacted into law, except to the extent of the following:

"(a) Property and casualty insurance companies would be subject to tax on their applicable taxable

income, which shall not be less than 20/36 of their "adjusted net gain from operations" for taxable years beginning after December 31, 1987. For purposes of the computation of the adjusted net gain from operations, interest income on tax exempt securities acquired on or after November 15, 1985, would be included. Property and casualty insurance companies would also be required, for taxable years beginning on or after January 1, 1986, to reduce the amount of their deductible underwriting losses by a percentage (10 percent for taxable years beginning before January 1, 1988, and 15 percent thereafter) of the amount of the tax exempt interest received or accrued during the taxable year on certain obligations, including the bonds. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includible in income.

(b) With certain exceptions, banks and thrift institutions would be unable to deduct any portion of the interest cost of purchasing and carrying tax exempt obligations acquired after December 31, 1985, including the bonds."

The city intends to designate the bonds as qualified tax exempt obligations under Section 802(e) of the bill.

On June 24, 1986, the United States Senate adopted H.R. 3838 in substantially the form ordered reported in the way of an amendment by the Senate Committee on Finance. The Senate amendment is generally less restrictive than H.R. 3838 as adopted by the House of Representatives, and provides that with respect to tax exempt obligations, the amendments are generally effective for obligations issued after the date of enactment. In the opinion of bond counsel, enactment of the Senate amendment on the form adopted by the United States Senate will not adversely affect the exemption from federal income taxation of interest on the bonds. However, with respect to corporations subject to a proposed corporate minimum tax (effective for taxable years beginning after December 31, 1986), the Senate amendment would include tax exempt interest (including interest on the bonds) in the adjusted net book income of such corporations and would include in the calculation of alternative minimum taxable income 50 percent of the excess of a corporation's adjusted net book income over its pre-book alternative taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses).

On August 16, 1986, a joint conference committee comprised of representatives of the United States Senate Committee on Finance and the United States House of Representatives Committee on Ways and Means adopted an outline of agreements that it had reached. The conference agreement has not been adopted by the Congress and is subject to further amendment.

The conference agreement adopts the position of the Senate amendment regarding the inclusion of interest on obligations, such as the bonds, in the adjusted net book income of certain corporations for

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taxable years after 1986 and would include in the calculation of alternative minimum taxable income 50 percent of the excess of a corporation's adjusted net book income over its pre-book alternative taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses). In addition, the conference agreement in a "tentative agreement" provides that banks and thrift institutions would be unable to deduct any portion of the interest cost of purchasing or carrying tax exempt obligations if such interest costs are incurred in taxable years ending after December 31, 1986 with respect to bonds acquired after August 7, 1986. Furthermore, property and casualty insurance companies would be required for taxable years beginning on or after January 1, 1986, to reduce the amount of their deductible underwriting losses by percentage of the amount of tax exempt interest received or accrued on obligations acquired after August 7, 1986. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includible in income.

The outcome of the legislative process and, in particular, the reconciliation of the differences among H.R. 3838, the Senate amendment and the conference agreement or any other proposed legislation, is at this time uncertain. Such proposals or any final legislation could adversely affect the tax exemption of interest on, and the value or marketability of, the bonds. 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.

The city will covenant in the bond ordinance and the closing certificate to take all actions necessary to comply with the provisions of the bill, the Senate amendment, and the conference agreement in order to maintain the federal tax exempt status of the interest on the bonds.

#### **Legal Opinion and Tax Exemption**

The bonds will be sold subject to the legal opinion of Gaar & Bell, Wichita, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the city, printed on the bonds, and delivered to the successful bidder as and when the bonds are delivered. Said opinion will state that in the opinion of bond counsel, under existing law, the bonds are exempt from intangible personal property taxes levied by Kansas cities, counties, and townships. A supplemental opinion of bond counsel will be rendered on the exemption status of the interest on said bonds from federal income taxation as of the date of closing.

Reference is also made to the Section entitled "Pending Federal Legislation Concerning Tax Exempt Obligations."

#### **Delivery and Payment**

The city will pay for printing the bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or before October 30, 1986 at such bank or trust company in the state of Kansas or Kansas City, Missouri, as may be specified by the successful bidder. The successful bidder will also be furnished with a certified tran-

script of the 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. Payment for the bonds shall be made in federal reserve funds, immediately subject to use by the city.

#### **Good Faith Deposit**

Each bid shall be accompanied by a cashier's or certified check drawn on a bank located in the United States of America equal to 2 percent of the total amount of the bid payable to the order of the city. If a bid is accepted, said check or the proceeds thereof will be held by the city until the bidder shall have complied with all of the terms and conditions of this notice, at which time the check or the proceeds thereof will be returned to the successful bidder or paid to his order at the option of the city. If a bid is accepted but the city shall fail to deliver the bonds to the bidder in accordance with the terms and conditions of this notice, said check or the proceeds thereof will be returned to the bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this notice, the proceeds of such check will be retained by the city as and for liquidated damages. No interest will be paid upon the successful bidder's good faith check.

#### **CUSIP Numbers**

It is anticipated that CUSIP identification numbers will be printed on certificated bonds or assigned to uncertificated bonds, but neither the failure to print such number on or assign such 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 in accordance with the terms of the purchase contract. All expenses in relation to the assignment and printing of CUSIP numbers on the bonds will be paid by the city.

#### **Bid Forms**

All bids must be made on forms which may be procured from the city clerk, or the financial advisers. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid. The city reserves the right to waive irregularities and to reject any and all bids.

#### **Submission of Bids**

Bids must be submitted in sealed envelopes addressed to the City of North Newton, City Hall, 2601 N. Main, North Newton, KS 67117, Attention: Vicki A. Baer, City Clerk, and marked "Bond Bid." Bids may be submitted by mail or delivered in person at City Hall and must be received prior to 5:30 p.m. C.D.T. on October 9, 1986.

#### **Official Statement**

The city has prepared an official statement dated as of September 18, 1986, copies of which may be obtained from the city clerk or the financial adviser. Upon the sale of the bonds, the city will furnish the successful bidder with a reasonable number of copies thereof without additional cost upon request. Addi-

tional copies may be ordered by the successful bidder at his expense.

**Assessed Valuation and Indebtedness**

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

Equalized assessed valuation of taxable tangible property .....	\$2,248,296
Tangible valuation of motor vehicles .....	470,939
Equalized assessed tangible valuation for computation of bonded debt limitations ..	\$2,719,235

The total general obligation indebtedness of the city as of the date of the bonds, including the bonds being sold, is \$676,000. Temporary notes in the principal amount of \$113,000 will be retired out of proceeds of the bonds and other available funds.

**Additional Information**

Additional information regarding the bonds may be obtained from the city clerk, Vicki A. Baer, or from the financial adviser, First Securities Company of Kansas, Inc., Suite 200, One Main Place, Wichita, KS 67202, Attention: Allen Bell, (316) 262-4411.

Dated September 18, 1986.

CITY OF NORTH NEWTON, KANSAS  
By Vicki A. Baer, City Clerk  
City Hall  
2601 N. Main  
North Newton, KS 67117

Doc. No. 004624

(Published in the KANSAS REGISTER, October 2, 1986.)

**NOTICE OF BOND SALE**  
**\$130,000**  
**GENERAL OBLIGATION**  
**SEWAGE DISPOSAL FACILITY BONDS**  
**OF THE**  
**CITY OF MACKSVILLE, KANSAS**

The city of Macksville, Kansas will receive sealed bids at the office of the City Clerk, City Hall, Macksville, Kansas, until 7:30 p.m. C.S.T. on Monday, October 13, 1986, for \$130,000 par value general obligation sewage disposal facility bonds of the city, at which time and place such bids shall be publicly opened. No oral or auction bids will be considered.

The series A, 1986 bonds will be dated as of October 1, 1986, and shall mature on October 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 semiannually, commencing October 1, 1988, and each April 1 and October 1 thereafter. 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 preceding March 15 and September 15 (the record dates). The fees of the bond registrar for the registration and transfer of the bonds shall be paid by the city.

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

Principal Amount	Maturity Date
\$ 5,000	October 1, 1988
5,000	October 1, 1989
5,000	October 1, 1990
5,000	October 1, 1991
5,000	October 1, 1992
5,000	October 1, 1993
10,000	October 1, 1994
10,000	October 1, 1995
10,000	October 1, 1996
10,000	October 1, 1997
10,000	October 1, 1998
10,000	October 1, 1999
10,000	October 1, 2000
15,000	October 1, 2001
15,000	October 1, 2002

**Interest Rate**

Proposals will be received on the bonds 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 1/8 or 1/20 of 1 percent. 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 (October 6, 1986), plus 2 percent, 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.

**Bid Form and Good Faith Deposit**

Bids shall be submitted on the official bid form furnished by the city and shall be addressed to the city at City Hall, Macksville, KS 67557, Attention: Hazel Lucas, City Clerk, and shall be 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 2 percent of the total amount of the bid, and shall be payable to Treasurer, City of Macksville, 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.

**Award of Bids**

The sealed bids for the bonds shall be opened

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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 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.

**Delivery of the Bonds**

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 William P. Timmerman, bond counsel, of Wichita, Kansas, under existing law. The number, denomination of bonds, and names of the initial registered owners to be initially printed on the bonds shall be submitted in writing by the successful bidder to the bond registrar not later than October 27, 1986. 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. Payment for the bonds shall be made in immediately available funds. Delivery of the bonds will be made to the successful bidder on or about October 31, 1986, 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.

**Pending Federal Legislation Concerning Tax Exempt Obligations**

On December 17, 1985, the United States House of Representatives passed H.R. 3838, the Tax Reform Act of 1985. The bill, which presently is pending in the United States Senate, 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 United States Senate passed a version of H.R. 3838. The city will covenant to comply with the requirements of the provisions of the bill to maintain the tax exempt status of the bonds. The opinion of bond counsel will state that under existing laws and regulations, the interest on the bonds is exempt from federal income taxation and, assuming continued compliance by the city with such covenant, interest on the bonds would continue to be exempt from federal income taxation if the bill becomes law in its present form; except that for taxable years beginning after 1987, the interest on the bonds could be included in adjusted net gain for purposes of the minimum tax imposed on property and casualty insurers under Section 1023 of the bill.

The city will designate the bonds as "qualified tax-exempt obligations" as defined in Section 802(e)(3) of the conference committee report on H.R. 3838 dated August 16, 1986.

**Legal Opinion**

Bids shall be conditioned upon the approving opinion of William P. Timmerman, bond counsel, Wichita, Kansas, a copy of which opinion will be printed on the reverse side of each bond, and a manually signed original will be furnished without expense to the purchaser of the bonds at the delivery thereof. The cost of this legal opinion will be paid by the city. Said legal opinion will state in part 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.

**Purpose of Issue**

The bonds are being issued for the purpose of constructing improvements to the sewage disposal plant and other necessary sewage improvements in the city of Macksville, Kansas.

**CUSIP Identification Numbers**

CUSIP identification numbers will not be printed on said bonds, as requirements of CUSIP are not met by the city as to size of issue or total outstanding debt.

**Assessed Valuation**

Assessed valuation figures for the city of Macksville, Kansas, for the year 1985, are as follows:

Equalized assessed valuation of taxable, tangible property .....	\$1,048,963
Tangible valuation of motor vehicles .....	\$ 283,166
Equalized assessed tangible valuation for computation of bonded debt limitations ..	\$1,332,129

**Bond Indebtedness**

The total general obligation bonded indebtedness of the city of Macksville, Kansas, at the date hereof, including this \$130,000 proposed issue of bonds, is \$474,000. The city will retire \$125,000 of outstanding temporary notes (not included in debt above) from the proceeds of the bonds and monies on hand.

**Official Statement**

Additional copies of this notice of bond sale, copies of the city's official statement relating to the bonds, or further information may be received from Mid-Continent Municipal Investments, Inc., 333 Century Plaza Building, Wichita, KS 67202, (316-262-5161), the city's financial consultants.

Dated September 22, 1986.

CITY OF MACKSVILLE, KANSAS  
By Hazel Lucas  
City Clerk

Doc. No. 004634

(Published in the KANSAS REGISTER, October 2, 1986.)

**NOTICE OF BOND SALE  
\$1,060,351.92  
GENERAL OBLIGATION BONDS  
SERIES 144  
OF THE  
CITY OF WINFIELD, KANSAS**

The city of Winfield, Kansas will receive sealed bids at the office of the City Clerk, City Hall, 200 E. 9th, Winfield, Kansas, until noon C.D.T. on Monday, October 6, 1986, for \$1,060,351.92 par value general obligation bonds of the city, series 144, at which time and place such bids will be publicly opened. No oral or auction bids will be considered, and no bids for less than the entire principal amount of the series 144 bonds will be considered.

The series 144 bonds will be dated as of October 15, 1986, and shall mature on December 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, except one bond of series 144 in the amount of \$5,351.92. Interest will be payable semiannually, commencing June 1, 1987, and each June 1 and December 1 thereafter. 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 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.

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

Principal Amount	Maturity Date
\$ 45,351.92	12-01-1987
60,000.00	12-01-1988
60,000.00	12-01-1989
75,000.00	12-01-1990
80,000.00	12-01-1991
80,000.00	12-01-1992
80,000.00	12-01-1993
80,000.00	12-01-1994
80,000.00	12-01-1995
80,000.00	12-01-1996
55,000.00	12-01-1997
85,000.00	12-01-1998
100,000.00	12-01-1999
100,000.00	12-01-2000

**Redemption**

Bonds maturing December 1, 1994, and thereafter, are subject to call for redemption and payment prior to their respective maturities at the option of the city on and after December 1, 1993, in whole at any time or in part in inverse order of maturity, and by lot within

maturities, on any interest payment date, at a redemption price of 101 percent thereof so called for redemption, plus accrued interest to the redemption date.

Notice of any call for redemption will be mailed to the registered owners of such bonds to be redeemed at the address shown on the registration books maintained by the bond registrar not less than 30 days prior to the date fixed for such redemption and payment. Interest on the bonds so called for redemption and payment will cease to accrue after the redemption date, provided notice has been given and funds are then available to pay the full redemption price thereof.

**Interest Rate**

Proposals will be received on the bonds bearing such rate or rates of interest 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 3 percent. 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 (September 29, 1986), plus 2 percent, 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.

**Bid Form and Good Faith Deposit**

Bids shall be submitted on the official bid form furnished by the city, and shall be addressed to the city at City Hall, 200 E. 9th, Winfield, KS 67156, Attention: Don Drennan, 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 2 percent of the total amount of the bid, and shall be payable to Treasurer, City of Winfield, 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.

**Award of Bids**

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 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

(continued)

paid from the aggregate amount of interest upon all of the bonds from their date until their respective maturities.

#### Delivery of the Bonds

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. The number, denomination of bonds, and names of the initial registered owners to be initially printed on the bonds shall be submitted in writing by the successful bidder to the bond registrar not later than October 20, 1986. 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. 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 October 30, 1986, 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.

#### Legal Opinion and Tax Exemption

Bids shall be conditioned upon the approving opinion of Gaar & Bell, bond counsel, Wichita, Kansas, a copy of which opinion will be printed on the reverse side of each bond and a manually signed original will be furnished without expense to the purchaser of the bonds at the delivery thereof. The cost of this legal opinion will be paid by the city. Said legal opinion will state in part substantially that the bonds and the interest thereon will constitute general obligations of the city, payable in part from special assessments levied upon the property benefited by the construction of said improvements and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city, with the balance payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the city; and that in the opinion of bond counsel, under existing law, the bonds are exempt from intangible personal property taxes levied by Kansas cities, counties and townships. A supplemental opinion of bond counsel will be rendered on the exemption status of the interest on said bonds from federal income taxation as of the date of closing. Reference is also made to the section entitled "Pending Federal Legislation Concerning Tax Exempt Obligations."

#### Pending Federal Legislation Concerning Tax Exempt Obligations

On December 17, 1985, the United States House of Representatives adopted H.R. 3838, which includes an extensive revision of the federal income tax affecting tax exempt financing. If H.R. 3838 is enacted into

law in the form adopted by the House of Representatives, its provisions would generally apply to obligations issued or incurred after December 31, 1985 and, therefore, would apply to the bonds. H.R. 3838 as adopted by the House of Representatives contains certain provisions that expand upon certain requirements of existing law, such as timely and proper expenditure of proceeds, and requires continuing compliance by an issuer of tax exempt obligations to preserve the tax exempt status of interest on such obligations. The transaction involving the issuance of the bonds has been structured in a manner which would comply with all provisions of H.R. 3838, as adopted by the House of Representatives.

Based upon bond counsel's analysis of H.R. 3838, bond counsel is of the opinion that interest paid on the bonds would be exempt from federal income taxation in the event that H.R. 3838, as adopted by the United States House of Representatives on December 17, 1985, is enacted into law, except to the extent of the following:

"(a) Property and casualty insurance companies would be subject to tax on their applicable taxable income, which shall not be less than 20/36 of their "adjusted net gain from operations" for taxable years beginning after December 31, 1987. For purposes of the computation of the adjusted net gain from operations, interest income on tax exempt securities acquired on or after November 15, 1985, would be included. Property and casualty insurance companies would also be required, for taxable years beginning on or after January 1, 1986, to reduce the amount of their deductible underwriting losses by a percentage (10 percent for taxable years beginning before January 1, 1988, and 15 percent thereafter) of the amount of the tax exempt interest received or accrued during the taxable year on certain obligations, including the bonds. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includible in income.

(b) With certain exceptions, banks and thrift institutions would be unable to deduct any portion of the interest cost of purchasing and carrying tax exempt obligations acquired after December 31, 1985, including the bonds."

The city intends to designate the bonds as qualified tax exempt obligations under Section 802(e) of the bill.

On June 24, 1986, the United States Senate adopted H.R. 3838 in substantially the form ordered reported in the way of an amendment by the Senate Committee on Finance. The Senate amendment is generally less restrictive than H.R. 3838 as adopted by the House of Representatives, and provides that with respect to tax exempt obligations, the amendments are generally effective for obligations issued after the date of enactment. In the opinion of bond counsel, enactment of the Senate amendment on the form adopted by the United States Senate, will not adversely affect the exemption from federal income taxation of interest on the bonds. However, with respect to corporations subject to a proposed corporate minimum tax (effec-

tive for taxable years beginning after December 31, 1986), the Senate amendment would include tax exempt interest (including interest on the bonds) in the adjusted net book income of such corporations and would include in the calculation of alternative minimum taxable income 50 percent of the excess of a corporation's adjusted net book income over its pre-book alternative taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses).

On August 16, 1986, a joint conference committee comprised of representatives of the United States Senate Committee on Finance and the United States House of Representatives Committee on Ways and Means adopted an outline of agreements that it had reached. The conference agreement has not been adopted by the Congress and is subject to further amendment.

The conference agreement adopts the position of the Senate amendment regarding the inclusion of interest on obligations, such as the bonds, in the adjusted net book income of certain corporations for taxable years after 1986 and would include in the calculation of alternative minimum taxable income 50 percent of the excess of a corporation's adjusted net book income over its pre-book alternative taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses). In addition, the conference agreement in a "tentative agreement" provides that banks and thrift institutions would be unable to deduct any portion of the interest cost of purchasing or carrying tax exempt obligations if such interest costs are incurred in taxable years ending after December 31, 1986 with respect to bonds acquired after August 7, 1986. Furthermore, property and casualty insurance companies would be required for taxable years beginning on or after January 1, 1986 to reduce the amount of their deductible underwriting losses by percentage of the amount of tax exempt interest received or accrued on obligations acquired after August 7, 1986. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includible in income.

The outcome of the legislative process and, in particular, the reconciliation of the differences among H.R. 3838, the Senate amendment and the conference agreement or any other proposed legislation, is at this time uncertain. Such proposals or any final legislation could adversely affect the tax exemption of interest on, and the value or marketability of, the bonds. 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.

The city will covenant in the bond ordinance and the closing certificate to take all actions necessary to comply with the provisions of the bill, the Senate amendment, and the conference agreement in order to maintain the federal tax exempt status of the interest on the bonds.

**Purpose of Issue**

The series 144 bonds are being issued for the purpose of the construction of an improvement, consisting

of all installation, construction, reconstruction, replacement, repair, maintenance and renewal of gutters; curbs; street paving; sidewalks; crosswalks; driveway and alley entrances; fill and support below and under sidewalks or driveways; crosswalk, parking and intersection landscaping including planting of trees, shrubs and other perennial plants; street lighting, traffic signals and decorative tree lighting outlets including underground electrical conduits and wiring therefor; street and traffic signs; service connections from water and gas utility mains; fire hydrants; and other repairs or works incidental thereto.

**CUSIP Identification Numbers**

CUSIP identification numbers will be printed on said bonds. All expenses in relation to printing of CUSIP numbers on said bonds and the expenses of CUSIP Service Bureau for the assignment of said numbers shall be the responsibility of and shall be paid for by the city.

**Assessed Valuation**

Assessed valuation figures for the city of Winfield, Kansas, for the year 1985, are as follows:

Equalized assessed valuation of taxable, tangible property .....	\$25,421,957
Tangible valuation of motor vehicles .....	\$ 5,547,284
Equalized assessed tangible valuation for computation of bonded debt limitations ...	\$30,969,241

**Bonded Indebtedness**

The total bonded indebtedness of the city of Winfield, Kansas, at the date hereof, including this \$1,060,351.92 proposed issue of bonds, is \$6,658,251.92. In addition, the city has outstanding temporary improvement notes in the amount of \$2,749,758.60, \$1,105,000 of which will be retired from the proceeds of the bonds, special assessments which have been collected in cash, and other available funds.

**Official Statement**

Additional copies of this notice of bond sale, copies of the city's official statement relating to the bonds, or further information may be received from the office of the City Clerk, City of Winfield, KS 67156.

Dated September 23, 1986.

**CITY OF WINFIELD, KANSAS**  
By Don Drennan, City Clerk

Doc. No. 004625

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