

KANSAS REGISTER

State of Kansas

BILL GRAVES
Secretary of State

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State of Kansas

KANSAS STATE UNIVERSITY**NOTICE TO BIDDERS**

Sealed bids for items listed below will be received by the Kansas State University Purchasing Office, Manhattan, until 2 p.m. C.S.T. on the dates indicated and will then be publicly opened. Interested bidders may call (913) 532-6214 for additional information.

WEDNESDAY, FEBRUARY 10, 1988

#80043

ARGON ION LASER AND POWER SUPPLY**MONDAY, FEBRUARY 15, 1988**

#80044

**GAS CHROMATOGRAPH AND
CHROMATOGRAPHY DATA SYSTEM**

WILLIAM H. SESLER
Director of Purchasing

Doc. No. 006160

State of Kansas

**STATE CORPORATION COMMISSION
MINED-LAND CONSERVATION AND
RECLAMATION BOARD****SCHEDULE OF BOARD MEETINGS**

The schedule for the Mined-Land Conservation and Reclamation Board meetings for the first half of 1988 is as follows:

February 11, 1988	1:00 p.m.	Pittsburg Holiday Inn
April 14, 1988	1:00 p.m.	Pittsburg Holiday Inn
June 9, 1988	1:00 p.m.	Pittsburg Holiday Inn

A special notice will be mailed for any changes in location or time of meetings. Special meetings will be at the call of the chairman of the board or upon petition of three or more board members.

Field tours, site inspections, or seminars for board members will be conducted the morning of each scheduled board meeting.

All meetings are conducted in conformity with provisions of the Kansas Open Meeting Act (K.S.A. 75-4317 *et seq.*).

RON FOX
Director

Doc. No. 006144

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Secretary of State
2nd Floor, State Capitol
Topeka, KS 66612-1594



Phone: (913) 296-3489

State of Kansas

BOARD OF INDIGENTS' DEFENSE SERVICES

NOTICE OF MEETING

The State Board of Indigents' Defense Services will meet at 9 a. m. Friday, January 29, in Room B-2 (basement auditorium) of the Docking State Office Building, Topeka.

For additional information contact Ron Miles, Director, State Board of Indigents' Defense Services, Room 506, Landon State Office Building, 900 S.W. Jackson, Topeka 66612, (913) 296-4505.

RONALD E. MILES
Director

Doc. No. 006151

State of Kansas

LEGISLATURE

LEGISLATIVE BILLS INTRODUCED

The following numbers and titles of bills and resolutions have been recently introduced in the 1988 Kansas Legislature.

Copies of bills and resolutions are available free of charge from the Legislative Document Room, 145-N State Capitol, Topeka 66612, (913) 296-4096.

Bills introduced January 14-20:

House Bills

HB 2662, by Representatives Hensley, Cribbs, Dillon, Green, Roper and Webb: An act concerning wages and hours for public work; prescribing powers, duties and functions for the secretary of human resources; authorizing rules and regulations; declaring certain acts to be misdemeanors and prescribing penalties therefor.

HB 2663, by Committee on Taxation: An act relating to sales and compensating use taxes; concerning the exemption of certain machinery and equipment; amending K.S.A. 1987 Supp. 79-3606 and repealing the existing section; also repealing K.S.A. 1987 Supp. 79-3642.

HB 2664, by Committee on Local Government: An act concerning Cheney recreation commission; concerning the commission's authority and levy of taxes therefor by Unified School District No. 268.

HB 2665, by Representatives Fuller, Baker, Borum, Bowden, Cribbs, Dean, Foster, Francisco, Gjerstad, Grotewiel, Helgerson, Kennard, Pottorff, Sawyer, Schauf, Spaniol, Webb and Williams: An act concerning planning and zoning; relating to platting; amending K.S.A. 12-705b and repealing the existing section.

HB 2666, by Representatives Fuller, Baker, Borum, Bowden, Cribbs, Dean, Foster, Francisco, Gjerstad, Grotewiel, Helgerson, Kennard, Pottorff, Sawyer, Schauf, Spaniol, Webb and Williams: An act concerning county jails; relating to compensation for maintenance of prisoners; amending K.S.A. 1987 Supp. 19-1930 and repealing the existing section.

HB 2667, by Representatives Fuller, Baker, Borum, Bowden, Cribbs, Dean, Foster, Francisco, Gjerstad, Grotewiel, Helgerson, Kennard, Pottorff, Sawyer, Schauf, Spaniol, Webb and Williams: An act concerning cities; relating to municipal improvement districts; amending K.S.A. 12-1795, 12-1796, 12-1797, 12-17102, 12-17104 and 12-17105 and K.S.A. 1987 Supp. 12-17103 and repealing the existing sections; also repealing K.S.A. 12-17101.

HB 2668, by Representatives Fuller, Baker, Borum, Bowden, Cribbs, Dean, Foster, Francisco, Gjerstad, Grotewiel, Helgerson, Kennard, Pottorff, Sawyer, Schauf, Spaniol, Webb and Williams: An act concerning cities; relating to planning and zoning; amending K.S.A. 12-714 and 12-715 and repealing the existing sections.

HB 2669, by Representatives Fuller, Baker, Borum, Bowden, Cribbs, Dean, Foster, Francisco, Gjerstad, Grotewiel, Helgerson, Kennard, Pottorff, Sawyer, Schauf, Spaniol, Webb and Williams: An act concerning cities; relating to the acquisition of fee title to certain realty; amending K.S.A. 1987 Supp. 12-16103 and repealing the existing section.

HB 2670, by Representative Fuller, Baker, Borum, Bowden, Cribbs, Dean, Foster, Francisco, Gjerstad, Grotewiel, Helgerson, Kennard, Pottorff, Sawyer, Schauf, Spaniol, Webb and Williams: An act concerning cities; relating to the redevelopment of certain areas of cities; providing for the financing of such redevelopment; amending K.S.A. 12-1776, 12-1777 and 12-1779 and K.S.A. 1987 Supp. 12-1770, 12-1771, 12-1772, 12-1773, 12-1774, 12-1775 and 12-1778 and repealing the existing sections.

HB 2671, by Representatives Guldner, Acheson, Allen, Amos, Apt, Baker, Barr, Beauchamp, Bideau, Borum, Brown, Bryant, Buehler, C. Campbell, Crowell, Crumbaker, Dyck, Eckert, Flotman, Flotman, Foster, Freeman, Graeber, Harper, Holmes, Hoy, Jenkins, King, Kline, Littlejohn, Long, Mead, R. D. Miller, Mollenkamp, Neufeld, O'Neal, Ott, Patrick, Pottorff, Roe, Roenbaugh, Rosenau, Sallee, Sand, Schauf, Shallenburger, Shore, Smith, Snowbarger, Vancrum, Walker, Weimer, Wilbert, Williams and Wunsch: An act relating to income taxation; relating to personal exemptions of an individual; amending K.S.A. 79-32, 121 and repealing the existing section.

HB 2672, by Representative Dillon: An act relating to motor vehicles; providing for license plates for survivors of the attack on Pearl Harbor.

HB 2673, by Joint Committee on Special Claims Against the State: An act concerning certain claims against the state; amending K.S.A. 46-920 and 46-922 and repealing the existing sections.

HB 2674, by Representative Roy: An act relating to divorce; concerning a change in the child's residence; amending K.S.A. 1987 Supp. 60-1620 and repealing the existing section.

HB 2675, by Committee on Appropriations: An act making and concerning appropriations for the fiscal year ending June 30, 1989, for the judicial council, state board of indigents' defense services, judicial branch and crime victims reparations board; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

HB 2676, by Committee on Appropriations: An act making and concerning appropriations for the fiscal year ending June 30, 1989, for the Kansas commission on interstate cooperation, legislative coordinating council, legislature and division of post audit; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

HB 2677, by Committee on Education (by request): An act concerning school district finance; providing state revenues therefor by imposing a school district finance tax upon Kansas taxable income of individuals and corporations and upon the privilege of doing business in this state by insurance companies and financial institutions, and increasing the state retailers' sales and compensating use tax rate; requiring the levy of a tax upon tangible property in every county in this state; prescribing duties relating to the determination and distribution of state aid; amending K.S.A. 40-2801, 40-2809, 72-7030, 72-7037, 72-7040, 72-7041, 72-7049, 72-7051, 72-7052, 72-7054, 72-7065, 72-7067, 72-7072, 79-1112, 79-32, 110, 79-3620 and 79-3710 and K.S.A. 1987 Supp. 10-310, 72-7038, 72-7042, 72-7043, 72-7046a, 72-7050, 72-7056, 79-1022, 79-1107, 79-1108, 79-2201, 79-32, 105, 79-3603, 79-3703 and 79-5109, and repealing the existing sections; also repealing K.S.A. 72-7044, 72-7048, 72-7074 and 72-7080 and K.S.A. 1987 Supp. 72-7045.

HB 2678, by Committee on Education (by request): An act concerning community colleges; affecting the composition of boards of trustees thereof; amending K.S.A. 71-1306, 71-1402, 71-1403, 71-1405, 71-1407, 71-1410, 71-1414, 71-1415 and 71-1420, and repealing the existing sections.

Senate Bills

SB 485, by Senators Francisco, Anderson, Daniels, Feleciano, Morris and Yost: An act concerning city-county boundary streets; relating to the cost of improvements thereof; amending K.S.A. 12-693 and 68-572 and K.S.A. 1987 Supp. 68-506 and repealing the existing sections.

SB 486, by Senators Francisco, Anderson, Daniels, Feleciano, Morris and Yost: An act concerning cities; relating to public improvements and the payment of costs thereof.

SB 487, by Senator Karr: An act concerning the crime of unlawful use of weapons; amending K.S.A. 1987 Supp. 21-4201 and repealing the existing section.

SB 488, by Senator Parrish: An act relating to motor vehicles; concerning handicapped parking; amending K.S.A. 1987 Supp. 8-1,125 and 8-1,130 and repealing the existing sections.

SB 489, by Senator D. Kerr: An act relating to insurance; concerning captive insurance companies; incorporation thereof; application for certificate of authority; authorized and prohibited transactions; capital and surplus requirements; annual reports and examinations; suspension or revocation of certificate of authority; limitations on investments; reinsurance; tax on premiums.

SB 490, by Committee on Assessment and Taxation: An act amending and supplementing the Kansas income tax act; concerning the filing requirements, determination of income, standard and itemized deductions, personal exemptions and liability of an individual thereunder; concerning the net operating loss and apportionment of business income of corporations; imposing an alternative minimum tax upon corporations; amending K.S.A. 79-3220, 79-3279, 79-32, 110, 79-32, 111a, 79-32, 119, 79-32, 120, 79-32, 121 and 79-32, 143 and K.S.A. 1987 Supp. 75-6512 and 79-32, 117 and repealing the existing sections.

SB 491, by Committee on Assessment and Taxation: An act relating to property taxation; voiding certain provisions of an order issued by the state board of tax appeals concerning the exemption of property of the Topeka Young Men's Christian Association.

SB 492, by Committee on Assessment and Taxation: An act relating to property taxation; concerning the exemption of property used for religious purposes; amending K.S.A. 1987 Supp. 79-201 and repealing the existing section.

SB 493, by Senators Francisco, Anderson, Daniels, Feleciano, Morris and Yost (by request): An act concerning emergency telephone services; relating to emergency telephone tax; amending K.S.A. 1987 Supp. 12-5304 and repealing the existing section.

SB 494, by Committee on Federal and State Affairs: An act relating to the creation of a multistate lottery; enacting and joining the state of Kansas with other jurisdictions in an interstate agreement to create a multistate lottery.

SB 495, by Committee on Education: An act concerning community colleges; relating to rates of student tuition; amending K.S.A. 1987 Supp. 71-301, 71-302 and 71-618, and repealing the existing sections.

SB 496, by Committee on Financial Institutions and Insurance: An act relating to banks and banking; concerning capital requirements; amending K.S.A. 1987 Supp. 9-901b and repealing the existing section.

House Resolutions

HCR 5036, by Joint Committee on Administrative Rules and Regulations: A concurrent resolution concerning retailers' sales tax; requesting the modification of K.A.R. 92-19-8, 92-19-12, 92-19-16, 92-19-19, 92-19-24, 92-19-30 and 92-19-40, as adopted by the secretary of the department of revenue and filed with the revisor of statutes on December 14, 1987; requesting the revocation of K.A.R. 92-19-54, 92-19-57, 92-19-67, 92-19-70 and 92-19-80, as adopted by the secretary of the department of revenue and filed with the revisor of statutes on December 14, 1987.

HCR 5037, by Representatives Rosenau and Justice: A proposition to amend article 15 of the constitution of the state of Kansas by adding a new section thereto relating to the limitations on recovery of damages in tort actions.

HR 6003, by Representatives Spaniol, Baker, Schauf and Williams: A resolution congratulating Nestor R. Weigand, Jr. on his election as president of the National Association of REALTORS.

HR 6006, by Representative Solbach: A resolution urging the Citizens' Advisory Committee, Stamps Division, to approve the Lecompton Constitutional Hall as a stamp or postal stationery subject.

HR 6007, by Representative Helgerson: A resolution honoring Alex P. Hondros on the occasion of his 80th birthday.

HR 6008, by Representative Flotman: A resolution congratulating Trinity Lutheran School, Winfield, Kansas, on its 100th anniversary.

HR 6009, by Representative Wunsch: A resolution honoring Nettie Epp on the occasion of her 100th birthday.

Senate Resolutions

SCR 1615, by Senator Allen: A concurrent resolution establishing the select committee on corporate farming.

SR 1802, by Senators Winter and Martin: A resolution urging the Citizens' Advisory Committee, Stamps Division, to approve the Lecompton Constitutional Hall as a stamp or postal stationery subject.

Doc. No. 006153

State of Kansas
BOARD OF EDUCATION
REQUEST FOR PROPOSALS

Federal funds are available under Section 123(a)(1), 8% Education Coordination, of the Job Training Partnership Act (JTPA). The Kansas Department of Human Resources and the Kansas State Department of Education/Vocational Education Section have transmitted "Request for Applications" through service delivery areas I, II, III, IV and V by local education agencies and community-based organizations for basic skills/remediation and transition to employment projects.

Solicitations for proposals are being accepted from February 1 through March 15. For more information and a proposal application, contact the Kansas State Department of Education, JTPA/Vocational Education, 120 E. 10th, Topeka 66612, (913) 296-4914.

DR. LEE DROEGEMUELLER
 Commissioner of Education

Doc. No. 006158

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, Landon State Office Building, 900 Jackson, Room 102, Topeka, until 2 p.m. C.S.T. on the date indicated, and then will be publicly opened. Interested bidders may call (913) 296-2377 for additional information.

Monday, February 8, 1988

#27409—Rebid

Statewide—CATHETERS (CLASS 07)

#27540

University of Kansas Medical Center—
 MISCELLANEOUS REHABILITATION SUPPLIES

#27764

Kansas State University—UNIFORM SHIRTS WITH
 EMBLEMS

#27765

Department of Social and Rehabilitation Services—
 JANITORIAL SERVICES, Rehabilitation Center for the
 Blind

#72567

Department of Human Resources, Department of
 Revenue and Department of Social and Rehabilitation
 Services—CONTINUOUS FORMS

#72568

Kansas Soldiers' Home—STATION WAGON

Tuesday, February 9, 1988

#A-5783

Youth Center at Topeka—FURNISH AND INSTALL
 SANITARY SEWER SEPARATOR, on the grounds

#A-5902

Kansas State School for the Deaf—REROOF
 MAINTENANCE BUILDING AND LAUNDRY

Wednesday, February 10, 1988

#27043

Statewide—X-RAY FILM AND SUPPLIES
 (CLASS 13)

#27543

Statewide—RADIO TUBES, RECEIVING AND
 RECTIFICATION

Friday, February 12, 1988

#27542

Statewide—ROOM AIR CONDITIONERS

#27750—Rebid

Statewide—TELEPHONE EQUIPMENT

#72251-A

Kansas State University—ETHERNET FEP FOR
 IBM MAINFRAME

#72273-A

Department of Social and Rehabilitation Services—
 CLASS SCHEDULING PACKAGE FOR DG-MV20000

Tuesday, February 16, 1988

#72594

Kansas Insurance Department—IBM SYSTEM/36
 UPGRADE

#72595

Department of Administration, Division of
 Information Systems and Communications—FEATURES
 AND CABLES FOR IBM 3728 AND 3725

Wednesday, February 17, 1988

#72596

Department of Social and Rehabilitation Services—
 WANG APPLICATION SOFTWARE

#72603

Kansas Correctional Industries—INFORMATION
 SYSTEM FOR IBM SYSTEM/36

Monday, February 22, 1988

#27569

Statewide—HAND TOOLS AND
 MISCELLANEOUS HARDWARE

Tuesday, February 23, 1988

#A-5772

Parsons State Hospital and Training Center—
 RENOVATE CEDAR COTTAGE, on the grounds

Monday, February 29, 1988

#26446

Department of Wildlife and Parks—LEASE OF
 FARMLAND, Glen Elder Wildlife Area

Wednesday, March 2, 1988

#27535

Statewide—AUTOMOBILE LIABILITY
 INSURANCE

NICHOLAS B. ROACH
 Director of Purchases

Doc. No. 006157

State of Kansas

DEPARTMENT OF HEALTH
AND ENVIRONMENTNOTICE CONCERNING KANSAS
WATER POLLUTION CONTROL PERMIT

In accordance with state regulations 28-16-57 through 28-16-63 and the authority vested with the state by the administrator of the U.S. Environmental Protection Agency, tentative permits have been prepared for discharges to the waters of the United States and the state of Kansas for the applicants described below. The tentative determinations for permit content are based on preliminary staff review applying the appropriate standards, regulations and effluent limitations of the state of Kansas and the EPA, and when issued will result in a state water pollution control permit and national pollutant discharge elimination system authorization to discharge subject to certain effluent limitations and special conditions.

Name and Address
of Applicant

Quality Coal Inc.
Santa Fe Mine No. 1
Route 1, Box 209
Pittsburg, KS 66762
Crawford County, Kansas

Waterway

Neosho River via
Spring River via
Second Cow Creek
via First Cow
Creek via Unnamed
Tributary

Type of Discharge

Stormwater and pit
dewatering flows

Kansas Permit No. I-NE03-P002 Federal Permit No. KS-0086002

Description of Facility: This facility is engaged in coal mining operation with sedimentation ponds for containment of stormwater and active strip-pit dewatering flows. This is a new facility. Proposed effluent limitations are pursuant to Kansas Surface Water Quality Standards, K.A.R. 28-16-28(b-f).

Name and Address
of Applicant

Coleman Company, Inc.
North Plant
801 E. 37th St. North
Wichita, KS 67219
Sedgwick County, Kansas

Waterway

Arkansas River via
Storm Sewer

Type of Discharge

Process, cooling
water and ground-
water cleanup
discharges

Kansas Permit No. I-AR94-PO21 Federal Permit No. KS-0000850

Description of Facility: This facility manufactures heating and air conditioning equipment for residential, mobile home and recreational vehicles. This is an existing facility and the previous limitations have been modified. Proposed effluent limitations are pursuant to Kansas Surface Water Quality Standards, K.A.R. 28-16-28(b-f).

Written comments on the proposed determinations may be submitted to Bethel Spotts, Permit Clerk, Kansas Department of Health and Environment, Division of Environment, Bureau of Water Protection, Forbes Field, Topeka 66620. All comments received prior to February 26 will be considered in the formulation of final determinations regarding this public notice. Please refer to the appropriate application number (KS-88-1/2) and name of applicant as listed when preparing comments.

If no objections are received, the Secretary of Health and Environment will issue the final determination. If response to this notice indicates significant public interest, a public hearing may be held in conformance with state regulation 28-16-61.

The application, proposed permit, including proposed effluent limitations and special conditions, fact sheets as appropriate, comments received, and other information are on file and may be inspected at the Division of En-

vironment offices, which are open from 8 a.m. to 4:30 p.m. Monday through Friday. The documents are available upon request at the copying cost assessed by the department. Additional copies of this public notice may also be obtained at the Division of Environment.

STANLEY C. GRANT, Ph.D.
Secretary of Health
and Environment

Doc. No. 006154

State of Kansas

DEPARTMENT OF ADMINISTRATION
DIVISION OF ARCHITECTURAL SERVICESNOTICE OF COMMENCEMENT
OF NEGOTIATIONS
FOR TECHNICAL SERVICES

Notice is hereby given of the commencement of negotiations for contracts for air and water balancing of the mechanical systems and infrared scans for a new laundry facility at the University of Kansas Medical Center, Kansas City; an adult care facility at Larned State Hospital, Larned; and a chemical storage building at the chemistry/ biochemistry facility at Kansas State University, Manhattan.

Interested individuals or firms in the balancing field must be certified by the National Environmental Balancing Bureau or the Associated Air Balance Council. Said individuals or firms must be engaged in balancing work on a full-time basis. Balance agencies which are of the same parent company as the designers or contractors of a particular project will not be considered for that project. Submit qualifications with letter of interest.

Interested individuals or firms in the infrared scan field must be an independent testing company using trained personnel who work full time on infrared testing projects. Personnel shall be familiar with the operation of the infrared camera and capable of analyzing the results. The infrared survey shall be done with a Model No. 750 infrared camera as manufactured by AGA Corporation of Secaucus, New Jersey, or equal. Submit qualifications with letter of interest.

Any questions or expressions of interest should be directed to Myron Reed, Division of Architectural Services, 625 Polk, Topeka 66603, (913) 233-9367, prior to February 12.

EDWARD A. DE VILBISS, AIA
Director, Division of
Architectural Services

Doc. No. 006152

State of Kansas

DEPARTMENT OF TRANSPORTATION

SPECIAL NOTICE TO CONTRACTORS

A pre-bid conference for project 135-87 K-2391-01, Sedgwick County, is scheduled for Tuesday, February 2, at the Canterbury Inn, 5805 W. Kellogg, Wichita. The project is located on I-135, northbound bridge 291, Wichita Viaduct, 2.3 miles, bridge overlay. The meeting will be held at 10 a.m.

A pre-bid conference for project 470-89 K-2366-01, Shawnee County, is scheduled for Thursday, February 4, at the Ramada Inn Downtown, 420 S.E. 6th, Topeka. The project is located on I-470, bridges over 37th Street in Topeka, bridge replacement. The meeting will be held at 1:30 p.m.

Contractors wishing to bid on these projects are *required* to attend the pre-bid conference in accordance with the provisions of 80P-207-R1, dated January 31, 1985. The projects are tentatively scheduled to be let for bid February 18 at 10 a.m. at the Ramada Inn Downtown, 420 S.E. 6th, Topeka.

HORACE B. EDWARDS
Secretary of Transportation

Doc. No. 006159

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.S.T. February 18, 1988, and then publicly opened:

DISTRICT ONE—Northeast

Johnson—46 U-1150-01—85th and State Line Road in Leawood, traffic signal. (Federal Funds)

Johnson—69-46 K-2933-01—U.S. 69, from K-150 north to the junction of U.S. 69 and U.S. 169, 1.0 mile, overlay. (State Funds)

Johnson—169-46 K-2933-02—U.S. 169, from the junction of U.S. 69 and U.S. 169 north to I-435, 2.4 miles, overlay. (State Funds)

Lyon—99-56 K-2932-01—K-99, 3.9 miles north of I-35 north and east to the junction of K-99 and K-170, 6.8 miles, overlay. (State Funds)

Marshall—36-58 X-1301-02—Missouri Pacific crossing of U.S. 36 at Home City, grading and surfacing. (Federal Funds)

Marshall—58 C-2090-01—County road, 2.0 miles north and 2.3 miles west of Waterville, then west, 0.3 mile, bridge replacement. (Federal Funds)

Osage—70 K-3418-01—K-31 and U.S. 75, 16.8 miles, overlay. (State Funds)

Pottawatomie/Riley—106 K-3417-01—K-13 and K-16, 26.7 miles, overlay. (State Funds)

Pottawatomie/Shawnee—24-106 K-3419-01—U.S. 24, 17.8 miles, overlay. (State Funds)

Riley—77-81 K-2931-01—U.S. 77, 1.5 miles south of

K-16 north to the Riley-Marshall county line, 10.6 miles, recycling. (State Funds)

Shawnee—470-89 K-2366-01—I-470, bridges over 37th Street in Topeka, bridge replacement. (Federal Funds)

Wyandotte—35-105 K-2698-01—I-35, 0.3 mile south of the Johnson-Wyandotte county line, northeast to the Kansas-Missouri state line, 4.0 miles, signing. (Federal Funds)

DISTRICT TWO—Northcentral

Dickinson/Geary—106 K-3406-01—K-15/18, from the west junction of K-15 and K-18 east to U.S. 77, 18.3 miles, overlay. (State Funds)

Dickinson—4-21 K-2354-01—K-4, Lime Creek Bridge 48.1.0 mile east of the junction of K-4 and K-218, bridge replacement. (Federal Funds)

Dickinson/Ottawa—18-106 K-3405-01—K-18, 22.5 miles, recycling. (State Funds)

Jewell—36-45 K-3105-01—U.S. 36, from the Smith-Jewell county line east to the west junction of K-28, 10.5 miles, overlay. (State Funds)

Mitchell—24-62 K-2980-01—U.S. 24, from the Osborne-Mitchell county line east to Glen Elder, 9.2 miles, recycling. (State Funds)

Mitchell—62 C-2306-01—County road, 9.8 miles east of Hunter, then east, 3.0 miles, surfacing. (Federal Funds)

Ottawa/Saline—81-106 K-3408-01—U.S. 81, 16.2 miles, recycling. (State Funds)

Washington—36-101 K-2981-01—U.S. 36, from the junction of K-15W, east to the east city limits of Washington, 6.6 miles, overlay. (State Funds)

DISTRICT THREE—Northwest

Sheridan—90 C-1796-01—County road, 5.4 miles north and 10.5 miles east of Hoxie, then east, 0.2 mile, bridge replacement. (Federal Funds)

DISTRICT FOUR—Southeast

Coffey—16 C-2144-01—County road, 3.0 miles south of Hartford, then south, 2.1 miles, surfacing. (Federal Funds)

Elk—160-25 K-3000-01—U.S. 160, from the Elk-Cowley county line east to the west junction of K-99, 13.7 miles, overlay. (State Funds)

Elk—25 C-2636-01—County road, from the junction of U.S. 160 in Oak Valley, then west, bridge repair. (Federal Funds)

Miami—61 C-1837-01—County road, from Hillsdale, then west, 0.4 mile, grading and surfacing. (Federal Funds)

Montgomery—166-63 K-2230-01—U.S. 166, from the south junction of U.S. 75 east to 4.3 miles east of the east city limits of Tyro, 10.6 miles, overlay. (State Funds)

Neosho—59-67 K-3147-01—U.S. 59, Neosho River bridge 4, 2.4 miles north of K-57, bridge repair. (State Funds)

Wilson—47-103 K-2437-01—K-47, from the junction of U.S. 75 east to the Wilson-Neosho county line, 7.2 miles, overlay. (State Funds)

Wilson—103 C-2278-01—County road, 4.0 miles north and 4.5 miles east of Altoona, then east, 0.3 mile, bridge replacement. (Federal Funds)

Woodson—54-104 X-1278-02—Missouri Pacific crossing of U.S. 54 near Piqua, grading and surfacing. (Federal Funds)

(Published in the *Kansas Register*, January 28, 1988.)

DISTRICT FIVE—Southcentral

Barton—5 U-1036-01—Frey Street, 20th to 21st in Great Bend, 0.1 mile, bridge replacement. (Federal Funds)

Butler/Greenwood—106 K-3414-01—U.S. 54 in Butler and Greenwood counties and K-196 in Butler County, 31.2 miles, recycling. (State Funds)

Cowley—160-18 K-3009-01—U.S. 160, east city limits of Burden east to the Cowley-Elk county line, 13.5 miles, overlay. (State Funds)

Cowley—18 C-2377-01—County road, 0.5 mile west of Burden, then west, 3.0 miles, surfacing. (Federal Funds)

Kingman/Reno—17-106 K-3412-01—K-17, 7.3 miles, conventional seal. (State Funds)

Kingman—48 C-2233-01—County road, from Spivey, then north, 6.9 miles, surfacing. (Federal Funds)

Reno—17-78 K-3004-01—K-17, 3.0 miles north of the Kingman-Reno county line then north to the junction of K-96, 13.5 miles, recycling. (State Funds)

Sedgwick—135-87 K-2391-01—I-135, northbound bridge 291, Wichita Viaduct, 2.3 miles, bridge overlay. (Federal Funds)

Sedgwick—87 C-1720-01—County road, 4.7 miles, south of Andale, then west, 10.0 mile, surfacing. (Federal Funds)

DISTRICT SIX—Southwest

Haskell—41 C-2069-01—County road, 8.0 miles east and 5.0 miles north of Sublette, then north, 1.0 mile, surfacing. (Federal Funds)

Ness—68 C-1593-01—County road, 2.0 miles north of the junction of K-96 at Beeler, then north, 1.3 miles, grading. (Federal 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 because of race, age, religion, color, sex, handicap, or national origin in the award of contracts.

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.

HORACE B. EDWARDS
Secretary of Transportation

NOTICE OF REDEMPTION
to the holders of
Ford County, Kansas
Single Family Mortgage Revenue Bonds
1979 Series A 7.50%
(due September 1, 2004)
CUSIP #345267-AW-8

Notice is hereby given that pursuant to Section 3.01 of the Indenture dated as of September 1, 1979, \$520,000 principal amount of bonds has been drawn by lot for redemption at par on March 1, 1988 as follows:

Coupon Bonds, \$5,000 each				
1014	1052	1093	1141	1169
1015	1053	1096	1149	1173
1016	1055	1097	1153	1179
1023	1059	1098	1154	1180
1025	1064	1104	1155	1183
1026	1068	1106	1156	1187
1033	1070	1107	1158	1193
1040	1075	1111	1160	1194
1043	1077	1118	1163	1195
1046	1087	1121	1165	1203

Coupon bonds with the September 1, 1988 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 Attn: Corporate Trust Operations 30 N. LaSalle St., 16th Floor Chicago, IL 60697	Kansas State Bank & Trust Company Attn: Trust Department 123 N. Market Wichita, KS 67202
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In addition to the coupon bonds listed above, the following registered bonds have been called:

Bond No.	Total Principal	Amount Called
R213	\$100,000	\$50,000
R209	320,000	90,000
R216	10,000	5,000
R223	40,000	25,000
R219	50,000	15,000
R232	10,000	5,000
R233	70,000	15,000
R220	50,000	15,000
R229	10,000	5,000
R228	25,000	5,000
R221	50,000	15,000
R225	25,000	20,000
R226	25,000	5,000

The registered bonds should be presented to Continental Illinois National Bank and Trust Company at the address given above.

When a fully registered bond is redeemed in part, a new fully registered bond for the unredeemed portion will be issued and returned without charge.

Coupons for the March 1, 1988 interest should be detached and presented in the usual manner. Interest on the bonds or parts of bonds called for redemption will cease to accrue on March 1, 1988.

(continued)

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 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 February 1, 1988.

Ford County, Kansas
by Continental Illinois National Bank
and Trust Company of Chicago,
as Trustee

Doc. No. 006145

(Published in the *Kansas Register*, January 28, 1988.)

NOTICE OF BOND SALE

\$400,986.80

General Obligation Bonds

Series 1988-1

(Sewer District No. 15)

of the

County of Butler, State of Kansas
(general obligation bonds payable
from unlimited ad valorem taxes)

Sealed Bids

Sealed bids will be received by the undersigned, county clerk of Butler County, Kansas, on behalf of the Board of County Commissioners at the County Courthouse, El Dorado, until 10 a.m. C.S.T. on Tuesday, February 2, 1988, for the purchase of \$400,986.80 principal amount of general obligation bonds, Series 1988-1, of the county hereinafter described. All bids will be publicly opened and read at said time and place and will be acted upon by the Board of County Commissioners immediately thereafter. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof, except one bond in the denomination of \$5,986.80. The bonds will be dated February 1, 1988, and will become due serially on August 1, in the years as follows:

Year	Principal Amount
1989	\$ 5,986.80
1990	10,000.00
1991	10,000.00
1992	10,000.00
1993	10,000.00
1994	15,000.00
1995	15,000.00
1996	15,000.00
1997	15,000.00
1998	20,000.00
1999	20,000.00
2000	20,000.00
2001	20,000.00

2002	25,000.00
2003	25,000.00
2004	30,000.00
2005	30,000.00
2006	30,000.00
2007	35,000.00
2008	40,000.00

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 February 1 and August 1 in each year, beginning on February 1, 1989.

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 Kansas State Treasurer, 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 (whether or not a business day) of the calendar month next preceding each interest payment date. The bonds will be registered pursuant to a plan of registration approved by the county and the Kansas Attorney General.

The county 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.

Redemption of Bonds Prior to Maturity

Bonds maturing in the years 1988 to 1993, inclusive, shall become due without option of prior payment. At the option of the county, bonds maturing in the years 1994 and thereafter may be called for redemption and payment prior to maturity in whole or in part (selection of bonds to be designated by the county in such equitable manner as it may determine) on August 1, 1993, or on any interest payment date thereafter at the redemption price of 100 percent (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Whenever the county is to select bonds for the purpose of redemption, it will, 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 in the denomination of \$5,000.

If the county elects to call any bonds for redemption and payment prior to the maturity thereof, the county shall give written notice of its intention to call and pay said bonds on a specified date, the same being described by maturity, said notice to be mailed by United States certified mail addressed to the owners of said bonds, to the original purchaser of the bonds and to the paying agent, each of said notices to be mailed not less than 30 days prior to the date fixed for redemption. The county shall also give such additional notice as may be required by Kansas law in effect as of the date of such notice. If any bond be called for redemption and payment as aforesaid, all interest on such bond shall cease from and after

the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Authority, Purpose and Security

The bonds are being issued pursuant to K.S.A. 19-27a07, as amended, for the purpose of paying the cost of certain sewer improvements. The bonds and the interest thereon will constitute general obligations of the county, 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 county, 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 county.

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 may exceed a rate equal to the index of treasury bonds published by the weekly 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 2 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 considered. Each bid must specify the total interest cost to the county during the term of the bonds on the basis of such bid, the premium, if any, offered by the bidder, and the net interest cost to the county on the basis of such bid, all certified by the bidder to be correct, and the county will be entitled to rely on the certificate of correctness of the bidder. Each bid must also specify the average annual net interest rate to the county on the basis of such bid.

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 in the amount of \$8,019.74 (2 percent of the principal amount of the bonds) payable to the order of the county to secure the county from any loss resulting from the failure of the bidder to comply with the terms of the bid. Good faith checks submitted by unsuccessful bidders will be returned. If a bid is accepted, said check or the proceeds thereof will be held by the county until the bidder has complied with all of the terms and conditions of this notice. If a bid is accepted but the county fails 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 county as and for liquidated damages. No interest will be paid upon the successful bidder's good faith check.

Basis of Award

The award of the bonds will be made on the basis of the lowest net interest cost to the county, which will be determined by subtracting the amount of the premium bid, if any, from the total interest cost to the county. 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 for the lowest net interest cost are received, the Board of County Commissioners will determine which bid, if any, will be accepted, and its determination is final. The county reserves the right to reject any and all bids and to waive any irregularities in a submitted bid. Any bid received after 10 a.m. on the date of sale will be returned to the bidder unopened.

Bid Forms

All bids must be made on forms which may be procured from the county clerk or the financial adviser. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid.

Submission of Bids

Bids must be submitted in sealed envelopes addressed to the undersigned county clerk and marked "Proposal for General Obligation Bonds." Bids may be submitted by mail or delivered in person to the undersigned at the County Courthouse and must be received by the undersigned prior to 10 a.m. C.S.T. on Tuesday, February 2, 1988.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on or assigned to the bonds, but neither the failure to print such number on or assign such number to any bond nor any error with respect thereto will 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 county.

Delivery and Payment

The county 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 February 29, 1988, at such bank or trust company in the state of Kansas or Kansas City, Missouri, as may be specified by the successful bidder. Delivery elsewhere will be made at the expense of the successful bidder. The successful bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the bonds and the usual closing documents, including 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 must be made in federal reserve funds, immediately subject to use by the county.

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

(continued)

and bond registrar at least two weeks prior to the closing date. In the absence of such information, the county will deliver one bond per maturity registered in the name of the manager of the successful bidder.

The reoffering prices to the public by the original purchaser must be furnished to the county at least one week prior to the closing date. A certificate stating that at least 10 percent of the bonds of each maturity has been sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at such reoffering prices must be furnished to the county by the original purchaser at closing.

Official Statement

The county has prepared an official statement dated January 21, 1988, copies of which may be obtained from the county clerk or from the financial adviser. Upon the sale of the bonds, the county will furnish the successful bidder with a reasonable number of copies thereof without additional cost upon request. Additional copies may be ordered at the successful bidder's expense.

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the county, for the year 1987, is as follows:

Equalized assessed valuation of taxable tangible property	\$172,828,284
Tangible valuation of motor vehicles	\$ 33,873,762
Equalized assessed tangible valuation for computation of bonded debt limitation	\$206,702,046

The total general obligation indebtedness of the county as of the date of the bonds, including the bonds being sold, is \$1,313,069.80. Temporary notes in the principal amount of \$490,500 will be retired out of proceeds of the bonds and other available funds.

Approval of Bonds.

The bonds will be sold subject to the legal opinion of Gilmore & Bell, Wichita, Kansas, bond counsel, whose approving legal opinion as to the validity of the bonds will be furnished and paid for by the county, printed on the bonds and delivered to the successful bidder as and when the bonds are delivered.

Opinion of Bond Counsel

In the opinion of bond counsel, assuming continued compliance by the county with the terms of the bond ordinance, under existing law, the interest on the bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years ending after December 31, 1989) for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth in clause (a) above is subject to the condition that the county comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the bonds in order that interest thereon be excluded from gross income for federal income tax purposes. Failure to comply

with certain of such requirements could cause the interest on the bonds to be so included in federal gross income retroactive to the date of issuance of the bonds. The county has covenanted to comply with all such requirements.

The bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the code), a deduction is allowed for 80 percent of that portion of such financial institution's interest expense allocable to interest on the bonds.

Bond counsel expresses no opinion regarding other federal tax consequences arising with respect to the bonds.

The bonds are exempt from intangible personal property taxes levied by Kansas counties, cities or townships.

A form of bond counsel's opinion is contained in the official statement of the county with respect to the bonds.

Related Federal Tax Matters

Prospective purchasers of the bonds should be aware that (i) Section 265 of the code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the bonds, except with respect to certain financial institutions (within the meaning of Section 265(b)(5) of the code); (ii) with respect to insurance companies subject to the tax imposed by Section 831 of the code, for taxable years beginning after December 31, 1986, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the bonds; (iii) for taxable years beginning after December 31, 1986 and before January 1, 1992, interest on the bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the code; (iv) for taxable years beginning after December 31, 1986, interest on the bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the code; (v) passive investment income, including interest on the bonds, may be subject to federal income taxation under Section 1375 of the code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25 percent of the gross receipts of such Subchapter S corporation is passive investment income; and (vi) Section 86 of the code requires recipients of certain Social Security and certain railroad retirement benefits to take into account in determining gross income, receipts or accruals of interest on the bonds. These categories of bondowners should consult their own tax advisers as to the applicability of these consequences.

Additional Information

Additional information regarding the bonds may be obtained from the county clerk or from the financial adviser, Mid-Continent Investments, Inc., 333 Century Plaza Building, Wichita, KS 67202, Attention: Jerry D. Rayl, (316) 262-5161.

Dated January 21, 1988.

BUTLER COUNTY, KANSAS
By John Tipton, County Clerk
County Courthouse
El Dorado, KS 67042
(316) 321-1960

Doc. No. 006142

(Published in the Kansas Register, January 28, 1988.)

NOTICE OF BOND SALE
\$6,800,000*
General Obligation Bonds
Series 1988-A
of the
City of Lenexa, Kansas
(general obligation bonds payable
from unlimited ad valorem taxes)

Sealed Bids

Sealed bids will be received by the undersigned, city clerk/finance director of the city of Lenexa, Kansas, on behalf of the governing body at the City Hall, 12350 W. 87th St. Parkway, Lenexa, until 3 p.m. C.S.T. on Thursday, February 4, 1988, for the purchase of \$6,800,000 * principal amount of general obligation bonds, Series 1988-A, 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 its meeting to be held at 7:30 p.m. on the date of sale. No oral or auction bids will be considered.

Bond Details

The bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The bonds will be dated February 1, 1988, and will become due annually on September 1 in the years as follows:

Year	Principal Amount
1989	\$455,000
1990	575,000
1991	640,000
1992	660,000
1993	675,000
1994	690,000
1995	710,000
1996	730,000
1997	755,000
1998	780,000
1999	65,000
2000	65,000

* Subject to change

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 March 1 and September 1 in each year, beginning on March 1, 1989.

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 Kansas State Treasurer, 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 (whether or not a business day) of the calendar month next preceding each interest payment date. The bonds will be registered pursuant to a plan of registration approved by the city and the Kansas Attorney General.

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.

Redemption of Bonds Prior to Maturity

Bonds maturing in the years 1989 to 1995, inclusive, shall become due without option of prior payment. At the option of the city, bonds maturing in the years 1996 and thereafter may be called for redemption and payment prior to maturity in whole at any time or in part on any interest payment date thereafter, in inverse order of maturity (bonds of less than a single maturity to be selected by lot by the paying agent and bond registrar in such equitable manner as it shall designate) on September 1, 1995, at the redemption prices set forth below (expressed as percentages of the principal amount), plus accrued interest thereon to the date of redemption:

Redemption Dates	Redemption Price
September 1, 1995 to August 31, 1996	101.00%
September 1, 1996 to August 31, 1997	100.50%
September 1, 1997 and thereafter	100.00%

Whenever the city is to select bonds for the purpose of redemption, it will, 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 in the denomination of \$5,000.

If the city elects 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, the same being described by maturity, said notice to be mailed by United States registered or certified mail addressed to the owners of said bonds, to the Kansas State Treasurer, and to the manager of the underwriting group purchasing the bonds, each of said notices to be mailed not less than 30 days prior to the date fixed for redemption. The city shall also give such additional notice as may be required by Kansas law in effect as of the date of such notice. If any bond be called for redemption and payment as aforesaid, all interest on such bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

Authority, Purpose and Security

The bonds are being issued pursuant to K.S.A. 12-685 to 12-689, inclusive, and K.S.A. 12-6a01 to 12-6a17, inclusive, all as amended, for the purpose of paying the cost of certain internal improvements. 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.

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

(continued)

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 may exceed a rate equal to the index of treasury bonds published by the weekly 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 cannot exceed 2 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 considered. Each bid must specify the total interest cost to the city during the term 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 the 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 must also specify the average annual net interest rate to the city on the basis of the bid.

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 in the amount of 2 percent of the principal amount of the bonds payable to the order of the city to secure the city from any loss resulting from the failure of the bidder to comply with the terms of the bid. Good faith checks submitted by unsuccessful bidders will be returned. If a bid is accepted, said check or the proceeds thereof will be held by the city until the bidder has complied with all of the terms and conditions of this notice. If a bid is accepted but the city fails 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.

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 for the lowest net interest cost are received, the governing body will determine which bid, if any, will be accepted, and its determination is final. The city reserves the right to reject any and all bids and to waive any irregularities in a submitted bid. Any bid received after 3 p.m. on the date of sale will be returned to the bidder unopened.

Bid Forms

All bids must be made on forms which may be procured from the city clerk/finance director or the financial adviser. No additions or alterations in such forms shall be made and any erasures may cause rejection of any bid.

Submission of Bids

Bids must be submitted in sealed envelopes addressed to the undersigned city clerk/finance director and marked "Proposal for General Obligation Bonds." Bids may be submitted by mail or delivered in person to the undersigned prior to 3 p.m. C.S.T. on Thursday, February 4, 1988.

Bond Rating

The outstanding general obligation bonds of the city are rated "A1" by Moody's Investors Service, Inc., and the city has applied for rating on the bonds herein offered for sale.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on or assigned to the bonds, but neither the failure to print such number on or assign such number to any bond nor any error with respect thereto will 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.

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 March 1, 1988, at such bank or trust company in the state of Kansas or Kansas City, Missouri, or Chicago as may be specified by the successful bidder. Delivery elsewhere will be made at the expense of the successful bidder. The successful bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the bonds affecting their validity and a certificate regarding the completeness and accuracy of the official statement. Payment for the bonds must be made in federal reserve funds, immediately subject to use by the city.

The number and denominations of the bonds and the names, addresses and social security or taxpayer identification numbers of the registered owners must be submitted in writing by the successful bidder to the city and bond registrar at least two weeks prior to the closing date. In the absence of such information, the city will deliver one bond per maturity registered in the name of the manager of the successful bidder.

The reoffering prices to the public by the original purchaser must be furnished to the city at least one week prior to the closing date. A certificate stating that at least 10 percent of the bonds of each maturity has been sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at such reoffering prices must be furnished to the city by the original purchaser at closing.

Official Statement

The city has prepared a preliminary official statement dated January 22, 1988, copies of which may be obtained from the city clerk/finance director or from the financial adviser. Upon the sale of the bonds, the city will furnish the official statement and will furnish the successful bidder

with a reasonable number of copies thereof without additional cost upon request. Additional copies may be ordered at the successful bidder's expense.

Assessed Valuation and Indebtedness

The total assessed valuation of the taxable tangible property within the city for the year 1987, including tangible property valuation for motor vehicles, is \$223,415,010. The total general obligation indebtedness of the city as of the date of the bonds, including the bonds being sold, is \$42,240,000. Temporary notes in the principal amount of \$5,725,000 will be retired out of proceeds of the bonds and other available funds.

Legal Opinion and Tax Exemption

The bonds will be sold subject to the legal opinion of Gilmore & Bell, Overland Park, 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.

In the opinion of bond counsel, assuming continued compliance by the city with the terms of the bond ordinance, under existing law, the interest on the bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years ending after December 31, 1989) for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth in clause (a) above is subject to the condition that the city comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the bonds in order that interest thereon be excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the bonds to be so included in federal gross income retroactive to the date of issuance of the bonds. The city has covenanted to comply with all such requirements. Bond counsel expresses no opinion regarding other federal tax consequences arising with respect to the bonds.

Prospective purchasers of the bonds should be aware that (i) Section 265 of the code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the bonds or, in the case of a financial institution (within the meaning of Section 265(b)(5) of the code), that portion of a holder's interest expense allocable to interest on the bonds; (ii) with respect to insurance companies subject to the tax imposed by Section 831 of the code, for taxable years beginning after December 31, 1986, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the bonds; (iii) for taxable years beginning after December 31, 1986 and before January 1, 1992, interest on the bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the code; (iv) for taxable years beginning after December 31, 1986, interest on the bonds earned by certain foreign corporations doing business in the

United States could be subject to a branch profits tax imposed by Section 884 of the code; (v) passive investment income, including interest on the bonds, may be subject to federal income taxation under Section 1375 of the code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25 percent of the gross receipts of such Subchapter S corporation is passive investment income; and (vi) Section 86 of the code requires recipients of certain Social Security and certain railroad retirement benefits to take into account in determining gross income, receipts or accruals of interest on the bonds. These categories of bondowners should consult their own tax advisers as to the applicability of these consequences.

The bonds are exempt from intangible personal property taxes levied by Kansas counties, cities or townships.

Additional Information

Additional information regarding the bonds may be obtained from the city clerk/finance director or from the financial adviser, Stern Brothers & Co., 1100 Main, City Center Square, Suite 2200, Kansas City, MO (816) 471-6460.

Dated January 21, 1988.

CITY OF LENEXA, KANSAS

By Sandra Howell
City Clerk/Finance Director
City Hall
12350 W. 87th St. Parkway
P.O. Box 14888
Lenexa, KS 66215
(913) 492-8800

Doc. No. 006143

State of Kansas

THE KANSAS LOTTERY

TEMPORARY ADMINISTRATIVE REGULATIONS

Article 2.—LOTTERY RETAILERS

111-2-1. Application to become a lottery retailer.

(a) Persons or businesses wanting to sell lottery tickets or shares shall apply to the Kansas lottery on forms available through the lottery headquarters in Topeka or through any lottery regional office.

(b) Each application to become a lottery retailer for instant games shall be accompanied by a fee of \$100.00 for the first location and \$75 for each additional location. All fees shall be non-refundable.

(c) An applicant receiving a lottery retailer certificate pursuant to section 8 of the Kansas lottery act may apply for a temporary lottery retailer certificate, good for no more than fourteen days, at a specific location, for special lottery events and other events approved by the executive director. An application for a temporary lottery retailer certificate shall designate the event and the specific location where tickets will be sold, and will be accompanied by a fee of \$2.00 per day.

(d) No sale shall be made at any location not autho-

(continued)

ized by the executive director or his designee. (Authorized by L. 1987, Chapter 292, section 10, implementing L. 1987, Chapter 292, section 8 and 10; effective T-88-38, Sept. 28, 1987, amended T-88-61, Dec. 19, 1987.)

Article 4.—INDIVIDUAL GAME RULES

111-4-1. Name of Drawing. The Kansas lottery shall conduct a series of special drawings entitled "Gala Drawings." The date of "Gala Drawings" will coincide with the beginning of each new instant game of the Kansas lottery. The date of the "Gala Drawing" shall be selected by the executive director. (Authorized by and implementing L. 1987, Chapter 292, Section 10(a); effective T-88-38, Sept. 28, 1987; amended T-88-61, Dec. 29, 1987.)

111-4-2. Definitions. (a) All definitions contained in the Kansas lottery act (Chapter 292, 1987 Session Laws) and lottery regulations are hereby incorporated by reference and govern unless otherwise indicated.

(b) "Gala event" means an event held to promote Kansas instant game lottery ticket sales.

(c) "Gala Drawing" means the act of drawing a door prize at gala events where one person per location is selected to win a one-thousand dollar (\$1,000) prize.

(d) "Sponsor drawings" means an act of drawing a door prize which may be held at the gala event subsequent to the "Gala Drawing."

(e) "Sponsor" means the person designated by the executive director to be in charge of organizing each gala event.

(f) "Non-winning ticket" means a Kansas instant game lottery ticket not eligible to win a prize under any instant game rules.

(g) "Receptacle" means a container in which non-winning Kansas instant game lottery tickets are placed and from which the "Gala Drawing" is made. Receptacles shall be sealable and capable of being rotated for the purpose of mixing.

(h) "Bare arm technique" means a type of drawing where the person drawing the winning ticket from the receptacle wears a short-sleeved (sleeve not extending past the elbow) or a no-sleeve shirt which exposes the drawer's bare arm. (Authorized by and implementing L. 1987, Chapter 292, Section 10(a) and 10(b); effective T-88-38, Sept. 28, 1987; amended T-88-61, Dec. 19, 1987.)

111-4-4. Prerequisites for a Drawing. Before a "Gala Drawing" may be validly conducted, a sponsor(s), a location, and a receptacle must be approved in writing by the executive director or his designee, the drawing must be open to the public and at least fifty (50) persons must actually attend the drawing as determined by the sponsor of the "Gala Drawing." (Authorized by and implementing L. 1987, Chapter 292, Section 10(b); effective T-88-38, Sept. 28, 1987; amended T-88-61, Dec. 19, 1987.)

111-4-5a. Special Prizes. (a) In addition to the prizes described in K.A.R. 111-4-5, the executive director may conduct a special prize drawing involving the \$1,000 winners from each location to award prizes

such as automobiles, vacation trips, or other tangible items in addition to, or in lieu of, cash awards. Special drawings for promotional awards may be held independently of the lottery's regular prize drawings or may be incorporated therein. The promotional drawings may be co-sponsored and conducted in conjunction with lottery retailers or other independent businesses.

(b) At the discretion of the executive director, equivalent cash prizes may be awarded to winners of tangible items in those instances where deemed appropriate. The value of non-cash items shall be estimated by using either the cost of the item or its fair market value. (Authorized by L. 1987, Chapter 292, Section 10(c), implementing L. 1987, Chapter 292, Sections 10(c), 20(b) and 20(c); effective T-88-61, Dec. 29, 1987.)

111-4-6. Entry into Drawing. Entry into the "Gala Drawing" is accomplished by the process detailed in the following subparagraphs:

(a) Obtain a valid Kansas instant lottery ticket;

(b) Determine if the ticket is a winning ticket in accordance with any instant game rules, K.A.R. 11-4-1 *et seq.* If the ticket is a winning ticket, it is not eligible for the "Gala Drawing" and shall be redeemed in accordance with the instant game rules;

(c) If the ticket is a non-winning ticket, the ticket is eligible for winning the drawing and the holder of the ticket may enter the "Gala Drawing";

(d) The holder of the non-winning ticket must complete the information form on the back of the ticket in a legible manner and sign it;

(e) The holder of the non-winning ticket must take the non-winning ticket with the completed information form to the location of the "Gala Drawing" and place it in the receptacle provided;

(f) The receptacle shall be available and entries may be made commencing at least one hour prior to the beginning of the gala event. Entries shall be allowed until the actual winner selection process begins;

(g) The holder of the ticket must personally attend the "Gala Drawing" and be present at the time of the drawing to be determined a winner;

(h) The drawing will be conducted no sooner than one hour after the commencement of the gala event;

(i) There is no limit to the number of entries a participant may make. (Authorized by and implementing L. 1987, Chapter 292, Section 10(b); effective T-88-38, Sept. 23, 1987; amended T-88-61, Dec. 29, 1987.)

111-4-7. Determination of "Gala Drawing" Winners. (a) The sponsor shall announce to the audience at least ten minutes before the drawing of the time that the winner selection process will begin. Any persons wishing to enter the drawing who have not yet done so, shall immediately place their tickets into the receptacle at this time.

(b) Prior to sealing the receptacle, the sponsor shall announce that entries into the "Gala Drawing" are closed. No further entries will be accepted.

(c) The receptacle shall be sealed and mixed to ensure random selection.

(d) The sponsor(s) of each approved "Gala Drawing" event shall designate one individual of their choice to participate in the selection process.

(e) The selection of the "Gala Drawing" winner shall be accomplished by the individual designated by the sponsor, using a bare arm technique, removing only one ticket from the receptacle in which all entries were placed. A person representing the sponsor of the "Gala Drawing" event as well as a law enforcement officer selected by the Kansas lottery, division of security, and a Kansas lottery employee, shall review the selected ticket to determine if the name stated on the information form located on the back of the selected ticket is legible. If the name is determined to be legible, the name shall be announced to the audience.

(f) The named person must be in attendance and present him/herself to the person announcing the winner within three minutes of the announcement in order to win the "Gala Drawing" prize.

(g) If the person whose ticket has been drawn from the receptacle is in attendance, upon proper identification that person shall be determined the "Gala Drawing" winner.

(h) The winner shall be given a prize claim form to be completed and returned to the lottery employee in attendance at the drawing;

(i) If the name on the ticket is not legible, or if the person is not in attendance, the ticket drawn will be void and the selection process shall be repeated until a winner is selected. (Authorized by and implementing L. 1987, Chapter 292, Section 10(b); effective T-88-38, Sept. 28, 1987; amended T-88-61, Dec. 29, 1987.)

111-4-9. Ticket Disqualification. Any non-winning Kansas instant game lottery ticket entered into a "Gala Drawing" is disqualified from any other Kansas lottery prize or drawing. (Authorized by and implementing L. 1987, chapter 292, section 10(d); effective T-88-38, Sept. 28, 1987; amended T-88-61, Dec. 29, 1987.)

111-4-10. Sponsor Drawings. Sponsors of gala events may hold sponsor drawings in conjunction with local retailers and businesses at the gala event. In no instance shall these drawings take place prior to the lottery "Gala Drawing." Such drawings, if conducted, shall not be construed to be part of a "Gala Drawing" and shall be separate and apart from the "Gala Drawing" in every way, except that the person drawing tickets for the lottery may draw additional tickets for the sponsor(s). At the end of the gala event(s) all tickets except tickets drawn for use by the lottery shall be returned to the receptacle. The Kansas lottery shall not be liable for any claim arising from the sponsor drawing and the drawing, if conducted, shall be the sole responsibility of the sponsor(s) of the gala event. (Authorized by and implementing L. 1987, chapter 292, section 10(b); effective T-88-38, Sept. 28, 1987; amended T-88-61, Dec. 29, 1987.)

111-4-14. Payment of Prizes. The executive direc-

tor or his designee shall award the designated prize to the person whose ticket was drawn from the receptacle as soon as it has been determined that all laws, regulations, and rules have been adhered to. (Authorized by and implementing L. 1987, Chapter 292, Section 10(c), 20(b); effective T-88-38, Sept. 28, 1987; amended T-88-61, Dec. 29, 1987.)

111-4-16. Governing Laws, Regulations, and Rules. In purchasing a ticket and entering the "Gala Drawing," the player agrees to comply with and abide by the Kansas lottery act (Chapter 292 of the 1987 Session Laws); all rules and regulations of the Kansas lottery, whether permanent or temporary; and procedures, and instructions established by the Kansas lottery for the conduct of the "Gala Drawing." (Authorized by and implementing L. 1987, Chapter 292, Section 10; effective T-88-38, Sept. 28, 1987; amended T-88-61, Dec. 29, 1987.)

RULES FOR INSTANT GAME NO. 2 "MATCH 3"

111-4-41. Name of Game. The Kansas lottery shall conduct an instant winner lottery game entitled "Match 3" commencing on December 30, 1987. The rules for the "Match 3" game are contained in K.A.R. 111-4-41 through 111-4-64. (Authorized by and implementing L. 1987, Chapter 292, Section 10; effective T-88-61, Dec. 29, 1987.)

111-4-42. Definitions. The following definitions shall apply to the "Match 3" instant lottery game:

a) "Executive director" means the executive director of the Kansas lottery.

b) "Play area" is the portion of the front of each instant game ticket where the play symbols appear. It is covered by a removable layer of material which is intended to be removed ("scratched off") by the player to reveal the play symbols.

c) "Play symbols" are the numbers, letters, symbols, or pictures printed in the play area of each instant game ticket and which determine if the ticket bearer is entitled to a prize. In this instant game, the play symbols are printed in gray-black ink in Kansas font in positive. A play symbol appears in each of six play spots within the play area. Each play symbol for this instant game is one of the following: "FREE," "\$2.00," "\$10.00," "\$50.00," "\$500.00," or "\$5,000.00."

d) "Play symbols captions" are the words or portions of words printed beneath each play symbol in the play area and are used to repeat or explain the play symbol. The play symbol caption associated with each play symbol is as follows:

Play Symbol	Play Symbol Caption
FREE	TICKET
\$2.00	TWO
\$10.00	TEN
\$50.00	FIFTY
\$500	FIVE HUNDRED
\$5000	FIVE THOUSAND

e) "Book" means a pack of fanfolded instant game

(continued)

tickets which are attached to each other by perforations, which perforations the retailer tears when selling a ticket from the book. The books are packed in plastic shrinkwrapping which shall be removed by the retailer so that the retailer can apply the retailer's name and number to each ticket prior to sale. In this instant game, each book shall consist of 300 instant game tickets fanfolded by fives.

f) "Ticket validation number" means a unique number appearing on each ticket which is used to validate winning tickets. For this instant game, the ticket validation number is a 9-digit number which appears under the "Void If Removed" spot on the bottom right center portion of the front of each instant ticket.

g) "Book-ticket number" means the unique number appearing on each ticket which includes the number of the book from which it was removed and the serially assigned number of the ticket within that book. For this instant game, the book-ticket number is a 7-digit book number followed by a dash and then a 3-digit ticket number. The ticket numbers in each book start with 000 and end with 299. The book-ticket number is printed in grayblack ink on the bottom right portion of the front of each instant game ticket.

h) "Retailer validation code" means the small letters found under removable covering in the play area of each instant game ticket. The retailer uses this code to verify and validate winners which are to be paid by the retailer. In this instant game, the retailer validation code is a two letter code printed and appearing in varying two of nine locations among the play symbols. The codes and their meanings are as follows: DD = Free Ticket; JJ = \$2.00; and KK = \$10.00.

i) "Bare arm technique" means a type of drawing in which the person drawing the winning ticket from the receptacle wears a short-sleeved (sleeve not extending past the elbow) or a no-sleeve shirt which exposes the drawer's bare arm.

j) "Drum" means a container which can be sealed and rotated for the purpose of mixing, and into which "Kansas Lottery Entry Envelopes" are placed for the purpose of drawing the preliminary and final "Grand Prize Drawing" winner.

k) "Contestant" means any person participating in a lottery game and anyone designated by a prize winner to appear on his or her behalf for any lottery game including the Grand Prize Drawing. In the event the prize winner or his or her designee fails to appear for the Grand Prize Drawing, the executive director shall designate an adult who may be a member of his staff to participate on behalf of the non-appearing prize winner. Any prize won by a contestant appearing through a designee shall be payable to and delivered to the prize winner as provided by these rules and regulations. (Authorized by and implementing L. 1987, Chapter 292, Section 10; effective T-88-61, Dec. 29, 1987.)

111-4-43. Ticket Sales. a) Tickets for this instant game shall be sold for \$1.00 each.

b) To the extent possible, retailers shall sell their tickets in numerical order of the book-ticket numbers.

No retailer shall promote or sell tickets in a manner contrary to the principle that every ticket has an equal and random chance of winning a prize.

c) Tickets shall be sold only by retailers with a current lottery retailer instant game contract in effect with the Kansas lottery. Tickets shall be sold only at the retailer's location which has been approved by the Kansas lottery and for which the retailer ordered the tickets.

d) Tickets shall not be sold to any person under the age of 18 years. Retailers may require persons purchasing tickets to produce proof of their age. (Authorized by L. 1987, Chapter 292, Section 10; implementing L. 1987, chapter 292, Section 10 & 18(a); effective T-88-61, Dec. 29, 1987.)

111-4-44. Determination of Instant Prize Winners. The following subparagraphs specify how an instant prize winner is determined for this instant game:

a) The player must remove or "scratch off" the removable layer of material covering the play area to reveal the six play symbols and captions. If any three play symbols match, the player wins the following prize:

GET	WIN
3 - FREE'S	FREE TICKET
3 - \$2.00's	\$2
3 - \$10.00's	\$10
3 - \$50.'s	\$50
3 - \$500.'s	\$500
3 - \$5000.'s	\$5000

b) In any event, only the highest instant prize shall be paid on a given ticket.

c) Once a player has collected a prize from a retailer, the player shall not be entitled to any other prize even if the prize paid by the retailer was less than the prize actually entitled to.

d) Only play symbols are used for determination of entitlement to instant prizes. Play symbol captions, validation numbers, agent validation codes, book-ticket numbers, any portion of the display printing and any extraneous materials are not play symbols and shall not be usable or playable to win instant prizes.

e) In all events, the determination of instant prize winners shall be subject to the general ticket validation requirements set forth in K.A.R. 111-4-46 and the requirements set forth on the back of each instant game ticket.

f) An instant ticket is a bearer instrument until signed on the back by the owner. The prize payable for an unsigned instant ticket shall be paid to the bearer thereof unless the ticket has been signed on the back. Once a ticket has been signed on the back, any prize payable for such ticket shall be paid to the apparent owner of the ticket as evidenced by such signature.

g) No particular prize may be paid more than once.

h) All instant prizes must be claimed within 180 days of the game start date as announced by the executive director. Any instant prize not claimed prior to such date and in the manner specified on the back of each ticket shall be forfeited.

i) The right of any person to a prize shall not be assignable, except that payment of any prize may be paid to the estate of a deceased prize winner or to a person designated pursuant to an appropriate judicial order. (Authorized by L. 1987, Chapter 292, Section 10(b), (c) & (i); implementing L. 1987, Chapter 292, Sections 10(b), (c) & (i) and 20 (b) & (d); effective T-88-61, Dec. 29, 1987.)

111-4-45. Number and Value of Instant Prizes. a) There will be approximately 16,200,000 tickets initially ordered for this instant game. The expected number and value of the instant prizes are as follows:

Prize Expected	Expected Number of Prizes in Game	Expected Value in Game
FREE TICKET	1,620,000	---
\$ 2.00	1,350,000	\$2,700,000
\$ 10.00	216,000	2,160,000
\$ 50.00	9,000	450,000
\$ 500.00	900	450,000
\$5000.00	90	450,000
	<u>3,195,990</u>	<u>6,210,000</u>

b) The executive director may terminate the sale of tickets prior to the complete sale of all tickets. In this event, the number and value of prizes will be approximately proportional to the number of tickets actually sold.

c) All prizes are subject to deductions provided by law. (Authorized by L. 1987, Chapter 292, Section 10(b), (c) & (f); implementing L. 1987, Chapter 292, Sections 10(b), (c) & (f) and 20; effective T-88-61, Dec. 29, 1987.)

111-4-46. Ticket Validation Requirements. a) Besides meeting all other requirements in these rules and those printed on the back of each instant ticket, the following validation requirements shall apply to all tickets for this instant game:

1) The ticket must have been issued by the Kansas lottery in an authorized manner and must not be counterfeit in whole or in part.

2) The ticket must be complete and intact and not mutilated, altered, unreadable, reconstructed, or tampered with in any manner.

3) The ticket must not be blank or partially blank, misregistered, defective, or printed or produced in error.

4) The display printing on the ticket must be regular in every respect and correspond precisely with the artwork on file at the Kansas lottery.

5) The ticket must not be stolen nor appear on any list of omitted tickets on file at the Kansas lottery.

6) Exactly six play symbols must appear in the play area. Each play symbol must be exactly one of those described in K.A.R. 111-4-42).

7) Each of the six play symbols must have a play symbol caption underneath, and each play symbol caption must agree with its play symbol. Each play symbol caption must be exactly one of those described in K.A.R. 111-4-42).

8) Each of the play symbols and play symbol cap-

tions must be present in its entirety, fully legible, right side up, not reversed in any manner, and correspond precisely to the artwork on file at the Kansas lottery.

9) The ticket must have exactly one ticket validation number, one book-ticket number and one retailer validation code, each of which must be present in its entirety, be fully legible, be exactly as described in K.A.R. 111-4-42, and correspond precisely to the artwork on file at the Kansas lottery. The ticket validation number shall correspond, using the Kansas lottery codes, to the play symbols on the ticket.

10) The ticket validation number of an apparent winning ticket shall appear on the Kansas lottery's official list of ticket validation numbers of winning tickets and a ticket with that ticket validation number shall not have been paid previously.

11) The ticket must pass all additional confidential validation tests of the Kansas lottery.

b) Any ticket not passing all of the validation checks in this paragraph is void and ineligible for any prize. However, the executive director may, solely at his or her option, reimburse the player for the cost of an invalid ticket. In the event that a defective ticket is purchased, the only responsibility or liability of the Kansas lottery shall be for reimbursement of the cost of the defective ticket. (Authorized by and implementing 1987 L. Chapter 292, Section 10; effective T-88-61, Dec. 29, 1987.)

111-4-47. Payment of Prizes. The procedures for payment of instant prizes to the winners of the "Match 3" game number 2 are as follows:

a) Instant game prizes of \$25.00 or less shall be paid as follows:

1) Present the ticket to the same retailer from whom the ticket was purchased. Upon validation of the ticket, the retailer shall immediately make payment for the prize to the claimant. If the retailer cannot validate the claim, the claimant shall fill out a claim form provided by the retailer and personally present or mail the completed form together with the ticket to Kansas lottery headquarters. If the claim is validated, then payment shall be made to the claimant by mail.

2) Bring the ticket to any Regional office of the Kansas lottery during the hours that such office is open to the public for business. Upon verification of the claim, payment for such claim shall be made to the winner in the following manner:

A) The prize for a validated free ticket winner redeemed in this manner shall be \$1.00 to be paid by the Kansas lottery.

B) The prize for a validated \$2.00 ticket winner redeemed in this manner shall be \$2.00 to be paid by the Kansas lottery.

C) The prize for a validated \$10.00 ticket redeemed in this manner shall be \$10.00. All payments for \$10.00 winning tickets shall be made out of the lottery prize payment fund. Upon verification of the claim, the payment for the prize shall be mailed to the claimant.

3) Mail the ticket with a completed claim form in any envelope other than an official "Grand Prize Drawing" envelope to any office of the Kansas lottery.

(continued)

Claim forms can be obtained from any lottery instant game retailer or any office of the Kansas lottery. Upon verification of the claim, the payment for such claim shall be made to the winner in the following manner:

A) The prize for a validated free ticket winner redeemed in this manner shall be \$1.00 which shall be paid out of the Kansas lottery's imprest fund. Upon verification of the claim, the payment for the prize shall be mailed to the claimant.

B) The prize for a validated \$2.00 ticket winner redeemed in this manner shall be \$2.00 which shall be paid out of the Kansas lottery's imprest fund. Upon verification of the claim, the payment for the prize shall be mailed to the claimant.

C) The prize for a validated \$10.00 ticket redeemed in this manner shall be \$10.00 which shall be paid out of the lottery prize payment fund. Upon verification of the claim, the payment for the prize shall be mailed to the claimant.

b) Instant game prizes in excess of \$25.00 but less than \$100.00 shall be paid by any one of the following methods:

1) Present the ticket to any authorized Kansas lottery retailer. Upon validation of the ticket the retailer may immediately make payment of the prize to the claimant. If the retailer chooses not to make the payment, the claimant shall claim the prize in another manner prescribed in these rules.

2) Bring the ticket to any office of the Kansas lottery during the hours that such office is open to the public for business. Upon verification of the claim, the payment for the prize shall be mailed to the claimant.

3) Mail the ticket with a completed claim form in any envelope other than an official "Grand Prize Drawing" envelope to the Kansas lottery headquarters. Claim forms can be obtained from any lottery instant game retailer or any office of the Kansas lottery. Upon verification of the claim, the payment for the prize shall be mailed to the claimant.

c) Instant game prizes of \$100.00 or more shall be paid by any one of the following methods:

1) Bring the ticket to any office of the Kansas lottery during the hours that such office is open to the public for business. Upon verification of the claim, the payment shall be made to the claimant by the executive director by any means deemed appropriate.

2) Mail the ticket with a completed claim form in any envelope other than a "Grand Prize Drawing Envelope" to any office of the Kansas lottery. Claim forms may be obtained from any lottery instant game retailer or any office of the Kansas lottery. Upon verification of the claim, the payment shall be made to the claimant by the executive director by any means deemed appropriate. (Authorized by 1987 L. Chapter 292, Section 10(c) & 20(c); implementing L. 1987, Chapter 292, Sections 10(c), 12(a) and 20(c); effective T-88-61, Dec. 29, 1987.)

111-4-48. Responsibility for Lost or Stolen Tickets. The Kansas lottery is not responsible for lost or stolen instant game tickets. (Authorized by and implementing 1987 L. Chapter 292, Section 10; effective T-88-61, Dec. 29, 1987.)

111-4-49. Disputes. In the event of a dispute between a ticket bearer and the Kansas lottery concerning the "Match 3" instant winner lottery game, and the "Grand Prize Drawing" associated with the "Match 3" instant game, the executive director has the authority to determine the facts underlying the dispute and to pay a prize to the holder of a valid winning lottery ticket. If the investigation of the dispute is inconclusive, the executive director may, solely at his or her option, reimburse the ticket bearer for the cost of the disputed ticket. If the investigation of the dispute determines facts in favor of the Kansas lottery, the executive director shall deny any claim relating to the dispute. (Authorized by and implementing 1987 L. Chapter 292, Section 10; effective T-88-61, Dec. 29, 1987.)

111-4-50. Governing Laws, Regulations, and Rules. In purchasing a ticket, the player agrees to comply with and abide by the Kansas lottery act (chapter 292 of the 1987 Session Laws); all rules and regulations of the Kansas lottery, whether temporary or permanent; and all procedures and instructions established by the Kansas lottery for the conduct of instant games. (Authorized by and implementing 1987 L. Chapter 292, Section 10; effective T-88-61, Dec. 29, 1987.)

111-4-51. Termination of the Game. The executive director may announce a termination date for the game at any time. (Authorized by and implementing 1987 L. Chapter 292, Section 10(d); effective T-88-61, Dec. 29, 1987.)

111-4-52. "Match 3" Grand Prize Drawing. The Kansas lottery shall conduct one grand prize drawing in connection with the "Match 3" instant ticket game. (Authorized by and implementing 1987 L. Chapter 292, Section 10(a); effective T-88-61, Dec. 29, 1987.)

111-4-53. Method of Entry. Entry into the "Grand Prize Drawing" is accomplished by the following steps:

a) Obtain a valid Kansas instant game lottery ticket;

b) Determine if the ticket is a winning ticket in accordance with the "Up and Away" game rules K.A.R. 111-4-29 *et seq.* or the "Match 3" game rules K.A.R. 111-4-41 *et seq.* If the ticket is a winning ticket, it is not eligible for the "Grand Prize Drawing" and shall be redeemed in accordance with the appropriate game rules;

c) If the ticket is a non-winning ticket, the ticket is eligible for winning the drawing, and the holder of the ticket may enter the "Grand Prize Drawing" once the holder accumulates five (5) non-winning tickets;

d) The holder of the five (5) non-winning tickets must complete the information form on the back of at least one (1) ticket in a legible manner and sign all five (5) tickets;

e) The holder of the tickets must obtain a "Kansas Lottery Entry Envelope" or "Kansas Lottery Entry Label" from any Kansas lottery retailer; and

f) Place the five (5) tickets into the envelope or a 3⁵/₈ by 6¹/₂ inch envelope with an official Kansas Lot-

tery Entry Label affixed and mail them to the address printed on the envelope or label.

g) There is no limit on the number of entries a person may make. (Authorized by and implementing L. 1987, Chapter 292, Section 10(b); effective T-88-61, Dec. 29, 1987.)

111-4-54. Certification of Weekly "Grand Prize Drawing" Contestant Selection. a) All preliminary and final "Grand Prize Drawing" contestant selection drawings shall be personally observed by a member of the Kansas lottery division of security designated by the executive director and by an auditor.

b) Upon completion of the drawings, the designated lottery security person and the auditor shall issue a signed report in affidavit form. This report shall certify the name of the contestant selected and that to the best of their knowledge the procedures required by these rules were followed in selecting the contestant.

c) The affidavit shall be placed in an envelope, sealed, and given to the director of security to hold in a secured file until the time designated by the executive director for the "Grand Prize Drawing." (Authorized by and implementing L. 1987, Chapter 292, Section 10(b); effective T-88-61, Dec. 29, 1987.)

111-4-55. Weekly Selection of Contestants. The following process shall be used for weekly "Grand Prize Drawing" Participant Selection:

a) Kansas Lottery mail room personnel shall pick up all mail trays containing "Kansas Lottery Entry Envelopes" at the Topeka United States Post Office on a daily basis.

b) The mail room and security personnel shall transport the mail trays to a secure area where they will be held until the time designated by the executive director for preliminary "Grand Prize Drawing" Participant Selection.

c) "Grand Prize Drawing Participant Selection" process shall be held weekly. All drawings shall be held in a place accessible to the public and be open for public attendance and with lottery security personnel present. All drawings shall be video taped.

d) An individual designated by the executive director shall pick at random 2 sealed envelopes from each tray using the bare-arm technique. Should the designated individual draw an envelope with tickets belonging to that designated individual, the envelope shall be disqualified.

e) The designated individual shall place the envelopes in a drum.

f) Once the individual has selected 2 envelopes from each tray, the drum shall be sealed and the contents mixed by shaking or rotating.

g) The designated individual shall then unseal the drum, and using the bare-arm technique, remove one (1) "Kansas Lottery Entry Envelope" from the drum.

h) The designated Kansas lottery security official shall unseal the "Kansas Lottery Entry Envelope" removed from the drum and review the tickets inside to determine if they are eligible for the "Grand Prize Drawing" in accordance with K.A.R. 111-4-58.

i) If the tickets contained in the envelope are determined to be ineligible, the envelope removed shall be discarded, the drum resealed, and another envelope removed. This procedure will be repeated until one (1) valid entry is obtained from the drum.

j) All "Kansas Lottery Entry Envelopes" remaining in the drum and the mail trays after one valid entry has been selected shall be destroyed.

k) The one (1) valid entry envelope shall be certified and secured in accordance with K.A.R. 111-4-54. (Authorized by and implementing L. 1987, Chapter 292, Section 10(b); effective T-88-61, Dec. 29, 1987.)

111-4-56. Selection of Grand Prize Drawing Winner. a) The director of security or his designee shall remove the sealed envelopes containing the affidavits certifying the names of the "Grand Prize Drawing" contestants from the secure file and transport them to the site of the "Grand Prize Drawing." The sealed envelopes shall then be placed in a drum. The drum shall be sealed and turned by a person designated by the executive director a minimum of five (5) times to ensure random selection. Each contestant, in the same order that they were selected as contestants, shall remove one envelope from the drum. A board will be provided by the Lottery which contains headings marked off with certain prizes. The first envelope removed from the drum shall be placed under the grand prize heading. The remainder of the tickets shall be placed on the board under the other prize headings.

b) After all envelopes have been removed from the drum and placed on the board, the envelopes will be opened by a person designated by the executive director, with the envelope under the grand prize heading being the last one opened. The contestant whose name is in the envelope shall win the prize in the area of the board where the envelope was placed.

c) The "Grand Prize Drawing" shall be held in a public place, be open to the public, and be viewed by an auditor. The "Grand Prize Drawings" shall be video and audio taped. (Authorized by and implementing L. 1987, Chapter 292, Section 10(); effective T-88-61, Dec. 29, 1987.)

111-4-57. Prizes. The prizes for the "Grand Prize Drawing" shall be one hundred thousand (100,000) dollars for the one (1) grand prize winner and five thousand (5,000) dollars for each contestant other than the grand prize winner. All prize awards are subject to lottery validation, set offs, and deductions as provided by law. (Authorized by and implementing L. 1987, Chapter 292, Section 10(); effective T-88-61, Dec. 29, 1987.)

111-4-58. Winner Validation. The following validation requirements shall apply to the "Grand Prize Drawing":

a) Each envelope must contain five (5) valid non-winning Kansas instant game lottery tickets from any game;

b) Each ticket must be signed by the same person,

(continued)

and the information form on the back of at least one ticket must be filled out in a legible manner.

c) Each ticket must have been issued by the Kansas lottery in an authorized manner and must not be counterfeit in whole or in part;

d) Each ticket must be complete and intact and not mutilated, altered, unreadable, reconstructed, or tampered with in any way;

e) Each ticket must not be blank or partially blank, misregistered, defective, or printed or produced in error;

f) The display printing on each ticket must be regular in every respect and correspond precisely with the artwork on file at the Kansas lottery;

g) Each ticket must not be stolen nor appear on any list of omitted tickets on file at the Kansas lottery;

h) Each ticket must have exactly one ticket validation number, one book-ticket number, and two retailer validation codes, each of which must be present in its entirety, be fully legible, be exactly as described in paragraph (d) above, and correspond precisely to the artwork on file at the Kansas Lottery. Each ticket validation number shall correspond to the play symbols on the ticket;

i) The ticket validation number of the tickets shall not appear on the Kansas lottery's official list of ticket validation numbers of winning tickets.

j) Any ticket not passing all the validation checks in this section is void and is not eligible for the "Grand Prize Drawing". (Authorized by and implementing L. 1987, Chapter 292, Section 10(b); effective T-88-61, Dec. 29, 1987.)

111-4-59. Security of Equipment. The drum shall be stored in a locked secure area at all times when not in use. Keys to the secure area shall be under the exclusive control of the Kansas lottery division of security. Prior to use, the drum shall be inspected by an auditor and by the Kansas lottery division of security to ensure it has not been tampered with and is in good working order. (Authorized by and implementing L. 1987, Chapter 292, Section 10; effective T-88-61, Dec. 29, 1987.)

111-4-60. Rights of Participants. Any Kansas instant game lottery ticket entered into the "Grand Prize Drawing" is disqualified from any other Kansas lottery prize or eligibility that ticket may have been redeemable for. (Authorized by and implementing L. 1987, Chapter 292, Section 10(d); effective T-88-61, Dec. 29, 1987.)

111-4-61. Payment of Prizes. The executive director or his designee shall award the designated prize to the appropriate person as soon as it is determined that all laws, regulations, and rules have been adhered to. (Authorized by and implementing L. 1987, Chapter 292, Section 10(c), 20(b); effective T-88-61, Dec. 29, 1987.)

111-4-62. Certification of Drawing. a) The "Grand Prize Drawing" shall be personally observed by a member of the Kansas lottery security staff designated by the executive director and by an auditor.

b) Upon completion of the drawing, the designated Kansas lottery security person and the auditor shall issue a signed report in affidavit form to the executive director. This report shall certify the name of the grand prize winner and that to the best of their knowledge, the procedures required by these rules were followed in selecting the grand prize winner. (Authorized by and implementing L. 1987, Chapter 292, Section 10(b); effective T-88-61, Dec. 29, 1987.)

111-4-63. Governing Laws, Regulations, and Rules. In purchasing a ticket and entering the "Grand Prize Drawing," the player agrees to comply with and abide by the Kansas lottery act (Chapter 292 of the 1987 Session Laws); all rules and regulations of the Kansas lottery, whether permanent or temporary; and all procedures and instructions established by the Kansas lottery for the conduct of the "Grand Prize Drawing." (Authorized by and implementing L. 1987, Chapter 292, Section 10(b), (c), 20(b); effective T-88-61, Dec. 29, 1987.)

111-4-64. Minors Entitled to Prizes. For a minor under 18 years of age entitled to a prize, the Lottery may require:

a) The claim form for all prizes of \$25 or more to be signed by the parent or legal guardian of the minor, and

b) Payment by delivery of a draft payable to the order of the minor to a parent or legal guardian of the minor.

c) Where the prize exceeds \$5,000, payment shall be made for the benefit of the minor to the court appointed guardian or conservator, or as may otherwise be ordered by the court, upon receipt of written verification of the appointment of the legal guardian or conservator satisfactory to the executive director. (Authorized by and implementing L. 1987, Chapter 292, Section 10; effective T-88-61, Dec. 29, 1987.)

111-4-65. Doubled Prize. During the first two weeks of "Match 3," any holder of a "Match 3" ticket entitled to win a \$5000 prize pursuant to the rules and regulations of the Kansas lottery, shall be entitled to win an additional \$5000 prize. To be entitled to the "doubler," amounting to \$10,000, winning tickets must be purchased on or after December 30, 1987, and before 5:00 p.m., January 12, 1988, and they must be validated by the Kansas lottery or Kansas lottery retailer on or before 5:00 p.m. on January 12, 1988, or be postmarked on or before midnight January 12, 1988. (Authorized by and implementing L. 1987, Chapter 292, Section 10(c); implementing L. 1987, Chapter 292, Sections 10(c) and 20; effective T-88-61, Dec. 29, 1987.)

LARRY MONTGOMERY
Executive Director

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