
OFFICIAL NOTICE OF BOND SALE

\$770,000

CITY OF EMPORIA, KANSAS

**GENERAL OBLIGATION BONDS
SERIES 2009-A**

TO BE OFFERED AT PUBLIC SALE

WEDNESDAY, AUGUST 5, 2009

BIDS RECEIVED BY 11:00 A.M. – AWARD AT 1:30 P.M., CENTRAL TIME

**CITY HALL
522 MECHANIC
EMPORIA, KANSAS 66801
TELEPHONE: (620) 342-5105
FAX: (620) 343-4254**

OFFICIAL NOTICE OF BOND SALE

\$770,000

CITY OF EMPORIA, KANSAS GENERAL OBLIGATION BONDS SERIES 2009-A

Date, Time and Place of Receiving Bids

The City Clerk and the Assistant City Manager of the City of Emporia, Kansas (the “City”), will receive bids on behalf of the governing body for the purchase of the City’s \$770,000 principal amount of General Obligation Bonds, Series 2009-A (the “Bonds”) in the manner described in this Official Notice of Bond Sale (“Notice”) in the sections entitled “Conditions of Bids” and “Submitting Bids” until 11:00 A.M., Central Time on:

WEDNESDAY, AUGUST 5, 2009

All bids will be disclosed publicly and tabulated or compared at the meeting of the City Commission at 1:30 P.M., Central Time, at City Hall, 522 Mechanic, Emporia, Kansas 66801, and will be acted upon by the governing body. No oral or auction bid or bids for less than 100 percent of the total principal amount of the Bonds and accrued interest to the date of delivery shall be considered.

Description of Bonds

The Bonds consist of fully registered certificated bonds in denominations of \$5,000, or any integral multiple not exceeding the principal amount of Bonds maturing in each year. The Bonds are dated September 1, 2009 (the “Dated Date”), and mature serially on September 1 in the years and principal amounts as follows:

Maturity Schedule

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Maturity Date</u>
\$40,000.00	2010	55,000.00	2020
40,000.00	2011	55,000.00	2021
40,000.00	2012	55,000.00	2022
40,000.00	2013	55,000.00	2023
40,000.00	2014	55,000.00	2024
40,000.00	2015	15,000.00	2025
40,000.00	2016	15,000.00	2026
40,000.00	2017	20,000.00	2027
40,000.00	2018	20,000.00	2028
45,000.00	2019	20,000.00	2029

The Bonds bear interest from the Dated Date at the rates specified by the successful bidder for the Bonds, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2010, until the Bonds are paid in full.

Payment of Principal and Interest; Registration

The principal of the Bonds shall be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, the City's designated Paying Agent and Bond Registrar (the "Paying Agent"), to the registered owners of the Bonds upon presentation of the Bonds for payment and cancellation at the Paying Agent's principal office in the City of Topeka, Kansas. Interest on the Bonds shall be payable in lawful money of the United States of America by (a) check or draft of the Paying Agent mailed to the registered owners as their names appear on the Registration Books maintained by the Paying Agent as of the 15th day of the month next preceding the Interest Payment Dates (the "Record Date"), or (b) in case of an interest payment to a registered owner that is a securities depository, by electronic transfer to that registered owner upon written notice given to the Paying Agent by that owner, not less than 15 days before the Record Date for such payment, containing the electronic transfer instructions, including the bank address where the wire transfer should be directed.

The City will pay the fees of the Paying Agent for the registration and transfer of the Bonds and for the preparation of a reasonable inventory of registered bond "blanks". Any additional costs or fees that might be incurred in the secondary market, except the Paying Agent's fees, shall be the responsibility of the registered owners of the Bonds.

Book-Entry Only System. The Bonds will be issued and registered under a book-entry-only system administered by The Depository Trust Company, New York, New York, ("DTC"). The Bonds will initially be registered in the name of Cede & Co., as DTC's nominee and payments of principal and interest on the Bonds will be made to Cede & Co. Individual purchases of Bonds will be made in book-entry form only and purchasers will not receive printed bond certificates representing their interest in the Bonds purchased.

As long as the Bonds are in book-entry form the provisions relating to the registration, transfer and exchange of the Bonds will be governed by the procedures of DTC or its successor concerning the book-entry system. Please refer to the Preliminary Official Statement for the Bonds under the caption "Book-Entry Only System" for additional information.

Redemption of Bonds

Optional Redemption. The Bonds maturing in the years 2010 to 2017, inclusive, shall become due and payable on their respective maturity dates without the option of prior call for redemption. At the option of the City, Bonds maturing in the year 2018, and thereafter, may be called for redemption and payment prior to their respective maturities, on September 1, 2017, or thereafter, in whole or in part, as determined by the City at any time, at a price equal to the principal amount thereof, plus accrued interest to the date established for such redemption and payment, without premium.

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

Selection of Bonds for Redemption. If less than all of the Bonds at the time outstanding are called for redemption on a specified date, the City will select the Bonds to be called in the manner it determines. If the City elects to call for redemption less than all of the Bonds at the time outstanding, it shall, in the case of Bonds registered in denominations greater than \$5,000, treat each \$5,000 of face value of a Bond so registered as though it were a separate Bond in the denomination of \$5,000.

Notice and Effect of Call for Redemption. The City will instruct the Paying Agent to give written notice to the registered owners of the Bonds of any call for redemption and payment. Redemption notices will be given by United States first class mail, mailed not less than 30 days before the selected redemption date, to the registered owners of the Bonds so called, unless such notice is waived by a registered owner. Provided that funds are available for payment, Bonds called for redemption in the manner described in this paragraph will cease to bear interest from and after the redemption date.

Conditions of Bidding

Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidder, subject to the conditions of this paragraph. The same rate of interest shall apply to all Bonds of the same maturity. Each interest rate specified shall be in an even multiple of 1/8th or 1/20th of 1%. The difference between the highest and lowest interest rate specified shall not exceed 2%. The maximum stated rate of interest on any Bond shall not exceed the daily yield for the ten-year treasury bonds published by *The Bond Buyer*, in New York, New York, on the Monday next preceding the date of the public sale, plus 3%. No bid for less than 100% of the total principal amount of the Bonds and accrued interest thereon from the Dated Date to the delivery date shall be considered, and no supplemental interest payments shall be authorized. Each bid must state the total interest cost to the City during the life of the Bonds on the basis of the bid, the premium, if any, offered by the bidder for the Bonds, the net interest cost to the City on the basis of the bid, and the average annual interest rate on the Bonds on the basis of the bid. Each bid shall be certified by the bidder to be correct, and the governing body shall be entitled to rely on such certificate of correctness.

Bond Rating

The City has applied to Standard & Poor’s for a rating on the Bonds described in this Notice.

Bond Insurance

The City has not applied for any policy of municipal bond insurance with respect to the Bonds, and will not pay the premium in connection with any policy of municipal bond insurance desired by a successful bidder. If a bidder elects to purchase and pay all costs associated with a policy of municipal bond insurance for the Bonds, a commitment from the selected insurer must accompany the bidder's Official Bid Form. The commitment shall specify all the terms and conditions required of the City in connection with such insurance policy. The City reserves the right to reject any bid specifying municipal bond insurance, even if such bid may result in the lowest net interest cost to the City.

Submitting Bids; Good Faith Deposit

Bids submitted in person or by facsimile shall be submitted on the Official Bid Form that accompanies this Notice. Additional copies are available from the City or the City's Financial Advisor. Bids must be received by 11:00 A.M. Central Time on Wednesday, August 5, 2009, and must be submitted using one of the methods described below.

Sealed Bids. Bids may be submitted (by mail or in person) in a sealed envelope marked "Proposal for Series 2009-A Bonds" addressed to the City Clerk at the address provided at the end of this Notice. Bidders using this method may also contact the City's Financial Advisor identified in the section of this Notice entitled "Additional Information" for assistance with delivery of bids.

Fax Bids. Bids may also be submitted by telefacsimile to (620) 343-4254, Attn: Asst. City Manager. The City's fax facilities are limited and bidders should allow enough time for timely receipt of a bids submitted by facsimile transmission. The deadline for receiving facsimile bids will be determined by the time the transmission prints through the City's facilities and not by the time the document is sent by the bidder. Neither the City, its Bond Counsel, its Financial Advisor, nor any officer or employee of the City shall be deemed to incur any liability whatsoever in connection with the failure of any electronic or telefacsimile equipment or any other occurrence resulting in disqualification of a bidder or failure of the City to receive a bid.

Electronic Bids. Electronic bids may be submitted to *PARITY*. For bids submitted electronically, the time as shown by the clock maintained by *PARITY* will be the official time with respect to bids submitted through *PARITY*. *Each bidder shall be individually responsible for making necessary arrangements to access PARITY for purposes of submitting an electronic bid in a timely manner and complying with the requirements of this Notice.* Neither the City, its Bond Counsel, its Financial Advisor, nor any officer or employee of the City shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified bidder and neither the City or its agents and employees named above nor *PARITY* shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruption of or any damages caused by *PARITY*'s service. The City is using the services of *PARITY* solely as a communication mechanism to conduct the electronic bidding for the Bonds and *PARITY* is not an agent of the City.

To the extent any instructions provided by *PARITY* conflict with this Notice, the Notice shall control. For additional information about *PARITY*, including any fees charged for use of the service, bidders may contact *PARITY* at 212-404-8102.

The City assumes no liability for the inability of a bidder to reach the City or *PARITY* before the time of the sale as set forth in this Notice. All bidders are advised that each bid submitted according to one of the methods described above will be deemed a contract between the bidder and the City to purchase the Bonds.

Bidders may call 620-342-5105 to confirm the receipt of a bid.

Good Faith Deposit/Financial Surety Bond. Each bid must be accompanied by a good faith deposit in the form of a certified or cashier's check or a financial surety bond (described below) payable to the order of the City in the amount of \$15,400. If a bid is accepted the good faith deposit shall be deposited and retained by the City until the bidder complies with all of the terms and conditions of this Notice and of its bid. If a bid is accepted and the bidder defaults in the performance of any of the terms and conditions of this Notice or of its bid, its good faith deposit will be retained by the City as liquidated damages. If a bid is accepted, and the City fails to deliver the Bonds according to the terms and conditions of this Notice, the good faith deposit will be returned. No interest will be paid upon the successful bidder's good faith deposit. The good faith deposit checks of the unsuccessful bidders will be promptly returned by United States first class mail unless the bidder makes other arrangements.

If a Financial Surety Bond is used for the good faith deposit, it must be from Financial Security Assurance, New York, New York, or an insurance company licensed to issue such surety bond in the State of Kansas and approved by the City. Such surety bond must be submitted to the City Clerk before 11:00 A.M. on Wednesday, August 5, 2009. The Financial Surety Bond must identify each bidder whose good faith deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder using a Financial Surety Bond, then that bidder is required to submit its good faith deposit to the City in the form of a certified or cashier's check or wire transfer as instructed by the City Clerk, not later than 2:00 o'clock P.M., Central Time, on the next business day following the award of the Bonds. If such check or wire transfer is not received by that time, the Financial Surety Bond will be drawn by the City to satisfy the good faith deposit requirement.

Award of Bonds

The Bonds shall be awarded to the bidder whose proposal results in the lowest net interest cost to the City, which shall be determined by deducting 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 in a bid, the specified net interest cost shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more identical bids for the lowest net interest cost are received, the governing body shall determine which bid, if any, shall be accepted, and such determination shall be final. The governing body reserves the right to reject any and/or all bids, and to waive any irregularities in a submitted bid.

Delivery of Bonds

The Bonds, duly printed, executed and registered, shall be furnished and paid for by the City; and shall be delivered on or about September 1, 2009 to DTC, New York, New York for the account of the successful bidder at the expense of the City. The successful bidder shall be furnished with a transcript of proceedings evidencing the authorization and issuance of the Bonds, and the usual closing proofs, including a certificate that there is no litigation pending or threatened at the time of the delivery of the Bonds affecting their validity. Payment for the Bonds shall be made in federal reserve funds, immediately available for use by the City.

Initial Registration

Pursuant to the book-entry system, the Bonds will be initially registered in the name of DTC's nominee as a single Bond per maturity.

Original Purchaser's Certificate

Bond Counsel will prepare and furnish to the successful bidder for execution, an Original Purchaser's Certificate which states that at least 10% of the Bonds of each maturity have been sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at initial reoffering prices to the public as shall be provided by the Original Purchaser. Such Certificate must be completed and returned to Bond Counsel on the date the Bonds are delivered.

CUSIP Identification Numbers

The CUSIP Service Bureau will be requested to assign CUSIP identification numbers to the Bonds, and such numbers will be printed on the Bonds; however, neither the failure to assign any such number to or to print any such number on any Bond, nor any error with respect thereto, shall constitute cause for the failure or refusal by the successful bidder to accept delivery of and to make payment for the Bonds in accordance with the terms of this Notice of Bond Sale and of such successful bidder's Official Bid Form. All expenses in relation to the printing of the CUSIP numbers and the expenses of the CUSIP Service Bureau for the assignment thereof shall be the responsibility of and shall be paid for by the City.

Official Statement

The City has prepared a Preliminary Official Statement relating to the Bonds, copies of which may be obtained from the City or the City's Financial Advisor. The Preliminary Official Statement is in a form "deemed final" by the City for the purpose of the Securities Exchange Commission's Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in the final Official Statement. Upon the sale of the Bonds, the City shall furnish the successful bidder with a reasonable number of copies of the final Official Statement, without additional cost, upon request. Copies of the final Official Statement in excess of a reasonable number may be ordered by the successful bidder at its expense. The City has authorized redistribution of this Notice and the Preliminary Official Statement only in their entirety.

Securities and Exchange Commission Rule 15c2-12

The City will adopt an undertaking to provide ongoing disclosure concerning the City in connection with and for the benefit of owners of the Bonds, pursuant to Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12. A copy of the undertaking is included as an appendix to the preliminary official statement.

Authority and Purpose

The Bonds shall be sold and issued as provided by K.S.A. 10-101 *et seq.*, as amended and supplemented, pursuant to the authority of a Bond Ordinance which will be adopted by the governing body immediately after the awarding of the Bonds.

The proceeds of the Bonds will be used, to pay the costs of certain improvements in the City, as well as paying for the costs of issuance of the Bonds. The improvements and the issuance of the Bonds are authorized pursuant to K.S.A. 12-6a01 *et seq.*, as amended and supplemented.

Security for Bonds

The Bonds and the interest thereon shall constitute general obligations of the City and the full faith, credit and resources of the City will be pledged to the payment thereof. The Bonds shall be payable as to both the principal of and the interest thereon in part, from the collection of special assessment taxes which have been levied against certain real properties in the City. If not so paid, the Bonds are payable as to principal and interest from ad valorem property taxes without limitation as to rate or amount upon all of the taxable tangible property within the territorial limits of the City for the purpose of paying the Bonds and the interest thereon.

Legal Opinion/ Tax Exemption

All matters relating to the authorization and issuance of the Bonds are subject to the approving opinion of Triplett, Woolf & Garretson, LLC, Wichita, Kansas, Bond Counsel. Bond Counsel's opinion will be printed on the Bonds, and a manually signed original copy of Bond Counsel's opinion will be furnished without expense to the successful bidder concurrently with the delivery of the Bonds. The fees and expenses of Bond Counsel will be paid by the City. The opinion of Bond Counsel will also address the exclusion of interest paid on the Bonds from gross income for federal income tax purposes and for income taxes of the state of Kansas. Please see the Preliminary Official Statement under the caption "Legal Matters" for additional information on federal and Kansas income tax matters relating to interest paid on the Bonds.

Bank Qualified Bonds

The City will covenant to take such actions as are necessary to designate the Bonds as "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% of that portion of such financial institution's interest expense allocable to interest on the Bonds.

Additional Information

Additional information regarding the Bonds may be obtained from the City or from the City's Financial Advisor, Mr. Greg Vahrenberg, Piper Jaffray & Co., 11150 Overbrook Road, Suite 310, Leawood, Kansas 66211-2298, telephone (913) 345-3374.

DATED July 15, 2009

CITY OF EMPORIA, KANSAS
By Susan Mendoza, City Clerk
City Hall, 522 Mechanic
Emporia, Kansas 66801
Telephone: (620) 342-5105
Fax: (620) 343-4254

**OFFICIAL BID FORM FOR THE PURCHASE OF
\$770,000 GENERAL OBLIGATION BONDS, SERIES 2009-A
OF THE CITY OF EMPORIA, KANSAS**

TO: THE GOVERNING BODY OF THE CITY OF EMPORIA, KANSAS

August 5, 2009

For \$770,000 principal amount of General Obligation Bonds, Series 2009-A, dated September 1, 2009, of the City of Emporia, Kansas, as described in the City's Official Notice of Bond Sale dated July 15, 2009, said Bonds to bear interest (based on 360 days) at the following rates, we will pay the par value of the Bonds, plus accrued interest from the date of the Bonds to the date of delivery, plus any premium as stated below, at the following rates:

<u>MATURITY DATE</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE *</u>	<u>MATURITY DATE</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE *</u>
September 1, 2010	\$40,000.00	_____ %	September 1, 2020	\$55,000.00	_____ %
September 1, 2011	40,000.00	_____ %	September 1, 2021	55,000.00	_____ %
September 1, 2012	40,000.00	_____ %	September 1, 2022	55,000.00	_____ %
September 1, 2013	40,000.00	_____ %	September 1, 2023	55,000.00	_____ %
September 1, 2014	40,000.00	_____ %	September 1, 2024	55,000.00	_____ %
September 1, 2015	40,000.00	_____ %	September 1, 2025	15,000.00	_____ %
September 1, 2016	40,000.00	_____ %	September 1, 2026	15,000.00	_____ %
September 1, 2017	40,000.00	_____ %	September 1, 2027	20,000.00	_____ %
September 1, 2018	40,000.00	_____ %	September 1, 2028	20,000.00	_____ %
September 1, 2019	45,000.00	_____ %	September 1, 2029	20,000.00	_____ %

** Rates must be specified in even multiples of 1/8th or 1/20th of 1%. The difference between the highest and lowest rate specified may not exceed 2%. The maximum stated rate of interest on any Bond shall not exceed the daily yield for the ten-year treasury bonds published by The Bond Buyer, in New York, New York, on the Monday preceding the date of the public sale, plus 3%.*

We calculate the total interest cost to the City to be as follows:

Total Interest Cost to Maturity at Rate(s) Specified.....\$ _____
Less: Premium, if any(_____)
Net Interest Cost to City.....\$ _____
Average Annual Net Interest Rate _____ %

☐ The Bidder elects to have the following Term Bonds:

Maturity Date	Years	Amount
September 1, _____	_____ to _____	\$ _____
September 1, _____	_____ to _____	\$ _____
September 1, _____	_____ to _____	\$ _____

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

We certify that the above interest computations are correct, and we agree that the City may accept or reject this bid on the basis of such correctness. This proposal is subject to, and we will accept the Bonds, on the terms and conditions set forth in the Official Notice of Bond Sale (the "Notice"); and if we are the successful bidder, we will comply with all of the terms and provisions of this bid and the Notice. As evidence of our good faith, we are enclosing a check or a surety bond in the amount of \$15,400. in compliance with the Notice (the "good faith deposit"). If we fail to fulfill our contractual obligations under this bid and the Notice, you may retain the good faith deposit or draw upon such surety bond as liquidated damages.

	Submitted By	_____
[PLEASE PROVIDE A LIST OF ACCOUNT MEMBERS]	By:	_____
	Telephone No.	_____

ACCEPTANCE

Pursuant to action duly taken by the governing body of the City of Emporia, Kansas, the above proposal is hereby accepted on August 5, 2009.

(Seal)

ATTEST: _____
SUSAN MENDOZA, City Clerk

JEFF LONGBINE, Mayor

Note: No additions or alterations shall be made to this form, and changes may cause rejection of the bid. Bids must be delivered according to the procedures described in the Official Notice of Bond Sale at or prior to 11:00 A.M., Central Time, on Wednesday, August 5, 2009. Any bid received after such time will not be considered.