(Published in *Basehor Sentinel* on May 25, 2009)

ORDINANCE NO. 554

AN ORDINANCE AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT BETWEEN THE CITY OF BASEHOR, KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF TRANSPORTATION FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS TRANSPORTATION REVOLVING FUND TO FINANCE A QUALIFIED TRANSPORTATION PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT.

WHEREAS, K.S.A. 75-5063 *et seq.* (the "Act") authorizes the Secretary of Transportation (the "Secretary") of the State of Kansas (the "State") to establish a transportation revolving fund to provide assistance to governmental units for Transportation Projects; and

WHEREAS, in accordance with the Act, the Secretary has established within the State treasury, the Kansas Transportation Revolving Fund (the "Fund"); and

WHEREAS, in accordance with the Act, the Secretary has promulgated administrative regulations K.A.R. 36-40-1 *et seq.* (the "Regulations") for implementation of the Fund; and

WHEREAS, the Secretary and the Kansas Development Finance Authority (the "Authority") have entered or will enter into a Master Pledge Agreement, as the same may be amended and supplemented from time to time (the "Pledge Agreement") pursuant to which KDOT agrees to enter into loan agreements with governmental units for the financing of Costs of certain transportation projects as defined in the Act, and to pledge the loan repayments received pursuant to such loan agreements to the Authority; and

WHEREAS, the Authority is authorized under K.S.A. 74-8905 and the Act to issue revenue bonds (the "Bonds") for the purpose of providing funds to enhance the Fund's ability to provide financial assistance to governmental units under the Act; and

WHEREAS, The City of Basehor, Kansas (the "Borrower"), is a Governmental Unit as said term is defined in the Act; and

WHEREAS, pursuant to the Act, the Borrower has submitted an application to KDOT to obtain a loan from the Fund to finance the costs of a Transportation Project described particularly in that certain loan agreement between the Borrower and KDOT to be dated May 18, 2009, in substantially that form as submitted to the Governing Body this date (the "Loan Agreement"), as TRF Project No. TR 0125 (the "Project"); and

WHEREAS, the Project is a Qualified Project as said term is defined in the Act; and

WHEREAS, the Borrower has taken all steps necessary and has complied with the provisions of the Act and the Regulations necessary to qualify for the loan; and

WHEREAS, KDOT has informed the Borrower that it has been approved for a loan in amount of not to exceed $1,500,000 (the "Loan") in order to finance all or a portion of the Project Costs;

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EXCERPT OF MINUTES OF A MEETING OF THE GOVERNING BODY OF THE CITY OF BASEHOR, KANSAS, HELD ON MAY 18, 2009.

The Governing Body met in regular session at the City Governing Body chambers in City Hall, at 7:00 p.m., the following members being present and participating, to-wit:

Mayor: Terry L. Hill
Council: President Jim Washington, David Breuer, Iris Dysart, Dennis Mertz, Bill Moyer

Absent: None

The Mayor declared that a quorum was present and called the meeting to order.

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(Other Proceedings)

Thereupon, there was presented an Ordinance entitled:

AN ORDINANCE AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT BETWEEN THE CITY OF BASEHOR, KANSAS, AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF TRANSPORTATION FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS TRANSPORTATION REVOLVING FUND TO FINANCE A QUALIFIED TRANSPORTATION PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT.

Thereupon, __Councilmember David Breuer_____ moved that said Ordinance be adopted. The motion was seconded by ___Councilmember Bill Moyer_____. Said document was duly read and considered, and upon being put, the motion for the said adoption of said Ordinance was carried by the vote of the Governing Body, the vote being as follows:

Yes: _David Breuer, Bill Moyer, Dennis Mertz_____.

No: _Jim Washington, Iris Dysart_____.

Thereupon, the Mayor declared said Ordinance duly adopted and was then duly numbered No. _554___, and was signed by the Mayor and attested by the City Clerk

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(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

(SEAL)

/s/_____
Mary Mogle, City Clerk

EXHIBIT B

To
Loan Agreement
Between
The Kansas Department of Transportation
Acting on behalf of
The State of Kansas
and
Basehor, Kansas

TRF PROJECT NO. TR 0125

Borrower's Notice Address:

Office of City Mayor
Basehor City Hall
2620 N. 155th Street
Basehor, KS 66007

Dedicated Source of Revenue:

By official action of the Governing Body of the City of Basehor, Kansas, taken in a duly called regular session of said Governing Body and identified in its Ordinance No. __554_____ adopted May 18, 2009, the dedicated source of revenue by which the City shall repay the principal and all interest which shall become due hereunder is described as follows:

"(a) the City of Basehor, Kansas, specifically dedicated sales tax receipts, (b) special assessments collected or to be collected from property benefited by the street improvements constructed with proceeds from the Loan, and (c) all assessments received for property lying within any transportation development district benefited by improvements constructed with proceeds from the Loan, all in an annual amount not less than the total amount due under the Loan Agreement for each year that the City shall be obligated to make such loan payments to KDOT under the Loan Agreement."

Loan Repayment Schedule:

See attached ***Exhibit B-2*** which is incorporated by reference herein.

Loan Rate: **3.90%**

Servicing Fee:

.25% of the outstanding balance shall be charged the Borrower in addition to the interest rate charged as described herein. Said annual fee shall be paid at the time the principal and interest is to be paid.

The Borrower and KDOT have agreed that interest on the Loan during the construction period for the Project may be capitalized and repaid as a part of the Loan. KDOT shall give the Borrower written notice of each semiannual installment of interest becoming due during the construction period. At its option, the Borrower may elect to pay such amounts, and if Borrower so elects, Borrower shall pay such amounts not later than 5 days prior to the date specified in the notice from KDOT. If the Borrower does not pay such amounts by the date specified in the notice from KDOT, the amount then due and owing as semiannual interest on the Loan shall be capitalized and added to the principal amount of the Loan and shall bear interest at the rate of interest set forth in **Section 2.02** hereof.

EXHIBIT B

To
Loan Agreement
Between
The Kansas Department of Transportation
Acting on behalf of
The State of Kansas
and
Basehor, Kansas

TRF PROJECT NO. TR 0125

Semi-Annual Payments*

Pmt Date	*Total Pmt*	*Principal*	*Interest*	*Fees*	*Annual Pmt*
2/1/2011	$ 31,125.00	$ -	$ 29,250.00	$ 1,875.00	
8/1/2011	84,542.86	53,417.86	29,250.00	1,875.00	$ 115,667.86
2/1/2012	30,016.58	-	28,208.35	1,808.23	
8/1/2012	85,651.28	55,634.70	28,208.35	1,808.23	115,667.86
2/1/2013	28,862.16	-	27,123.48	1,738.68	
8/1/2013	86,805.70	57,943.54	27,123.48	1,738.68	115,667.86
2/1/2014	27,659.83	-	25,993.58	1,666.25	
8/1/2014	88,008.03	60,348.20	25,993.58	1,666.25	115,667.86
2/1/2015	26,407.61	-	24,816.79	1,590.82	
8/1/2015	89,260.25	62,852.64	24,816.79	1,590.82	115,667.86
2/1/2016	25,103.41	-	23,591.16	1,512.25	
8/1/2016	90,564.45	65,461.04	23,591.16	1,512.25	115,667.86
2/1/2017	23,745.10	-	22,314.67	1,430.43	
8/1/2017	91,922.76	68,177.66	22,314.67	1,430.43	115,667.86
2/1/2018	22,330.42	-	20,985.21	1,345.21	
8/1/2018	93,337.44	71,007.02	20,985.21	1,345.21	115,667.86
2/1/2019	20,857.02	-	19,600.57	1,256.45	
8/1/2019	94,810.84	73,953.82	19,600.57	1,256.45	115,667.86
2/1/2020	19,322.47	-	18,158.47	1,164.00	
8/1/2020	96,345.39	77,022.92	18,158.47	1,164.00	115,667.86
2/1/2021	17,724.25	-	16,656.52	1,067.73	
8/1/2021	97,943.61	80,219.36	16,656.52	1,067.73	115,667.86
2/1/2022	16,059.69	-	15,092.24	967.45	
8/1/2022	99,608.17	83,548.48	15,092.24	967.45	115,667.86
2/1/2023	14,326.07	-	13,463.05	863.02	
8/1/2023	101,341.79	87,015.72	13,463.05	863.02	115,667.86
2/1/2024	12,520.49	-	11,766.24	754.25	
8/1/2024	103,147.37	90,626.88	11,766.24	754.25	115,667.86
2/1/2025	10,639.98	-	9,999.02	640.96	
8/1/2025	105,027.88	94,387.90	9,999.02	640.96	115,667.86
2/1/2026	8,681.43	-	8,158.45	522.98	
8/1/2026	106,986.43	98,305.00	8,158.45	522.98	115,667.86
2/1/2027	6,641.61	-	6,241.51	400.10	
8/1/2027	109,026.25	102,384.64	6,241.51	400.10	115,667.86
2/1/2028	4,517.13	-	4,245.01	272.12	
8/1/2028	111,150.73	106,633.60	4,245.01	272.12	115,667.86
2/1/2029	2,304.47	-	2,165.65	138.82	
8/1/2029	113,363.49	111,059.02	2,165.65	138.82	115,667.96
	$ 2,197,689.44	$ 1,500,000.00	$ 655,659.94	$ 42,029.50	$ 2,197,689.44

* All numbers are represented herein as U.S. Dollars.