

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
LEAVENWORTH COUNTY, KANSAS
HELD ON OCTOBER 23, 2019**

The governing body met in regular session at the usual meeting place in the County, at 9:00 a.m., the following members being present and participating: Chairman Doug Smith, Commissioners Vicky Kaaz and Jeff Culbertson, Chad Schimke and Mike Stieben.

Absent: n/a.

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

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Temporary Notes, Series 2019-1, came on for consideration and was discussed.

~~Commissioner~~ Chairman Kaaz presented and moved the adoption of a Resolution entitled:

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL
OBLIGATION TEMPORARY NOTES OF LEAVENWORTH COUNTY, KANSAS.**

Commissioner Culbertson seconded the motion to adopt the Resolution. Thereupon, the Resolution was read and considered, and, the question being put to a roll call vote, the vote thereon was as follows:

Aye: 5

Nay: 0

The Chairman declared the Resolution duly adopted; the Clerk designating the same Resolution No. 2019-24.

(Other Proceedings)

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of Leavenworth County, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.



Janet Klasinski
Clerk

RESOLUTION NO. [] 2019-26

A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION TEMPORARY NOTES OF LEAVENWORTH COUNTY, KANSAS.

WHEREAS, Leavenworth County, Kansas (the "Issuer"), pursuant to Resolution No. 2016-35, K.S.A. 68-580 *et seq.* and Charter Resolution 2016-1, has previously authorized certain road improvements described as follows:

1. The improvement of 147th Street from Fairmount Road to Parallel Road;
2. The improvement of McIntyre Road from K-7/U.S. 73 Highway to K-5 Highway;
3. The improvement of Eisenhower Street (County Road 34) from approximately one-half mile east of 20th Street of the City of Leavenworth to County Road 5; and
4. The improvement of the secondary road system of the County;

(collectively, the "Road Improvements"), and the issuance of general obligation bonds in an amount not to exceed \$30,000,000 plus costs of issuing the bonds to pay the costs of the Road Improvements; and

WHEREAS, the Issuer is authorized by law to issue general obligation bonds to pay the costs of the Road Improvements; and

WHEREAS, it is necessary for the Issuer to provide cash funds (from time to time) to meet its obligations incurred in constructing the Road Improvements prior to the completion thereof and the issuance of the Issuer's general obligation bonds, and it is desirable and in the interest of the Issuer that such funds be raised by the issuance of temporary notes of the Issue; and

WHEREAS, general obligation bonds previously authorized have been issued in the amount of \$12,513,928 to pay a portion of the costs of the Road Improvements and the Issuer proposes to issue its temporary notes in the principal amount of approximately \$9,100,000 to pay a portion of the costs of the Road Improvements; and

WHEREAS, the Issuer hereby selects the firm of Stifel, Nicolaus & Company, Incorporated (the "Financial Advisor"), as financial advisor for temporary notes of the Issuer in order to provide funds to temporarily finance the Road Improvements; and

WHEREAS, the Issuer desires to authorize the Financial Advisor to proceed with the offering for sale of the temporary notes and related activities; and

WHEREAS, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to the temporary notes; and

WHEREAS, the Issuer desires to authorize Gilmore & Bell, P.C., Kansas City, Missouri, the Issuer's bond counsel ("Bond Counsel"), in conjunction with the County Administrator and County Clerk, to proceed with the preparation and distribution of a preliminary official statement and notice of note sale and to authorize the distribution thereof and all other preliminary action necessary to sell the temporary notes.

BE IT RESOLVED BY THE GOVERNING BODY OF LEAVENWORTH COUNTY, KANSAS, AS FOLLOWS:

Section 1. The Issuer is hereby authorized to offer at competitive public sale the Issuer's General Obligation Temporary Notes, Series 2019-1 (the "Notes") as described in the Notice of Note Sale to be prepared by Bond Counsel, in conjunction with the County Administrator and County Clerk. All proposals for the purchase of the Notes shall be delivered to the Governing Body at its meeting to be held on the day immediately following the sale date referenced in the Notice of Note Sale, at which meeting the Governing Body shall review such bids and award the sale of the Notes or reject all proposals.

Section 2. The Chairman, County Administrator and County Clerk, in conjunction with Bond Counsel, are hereby authorized to cause to be prepared a Preliminary Official Statement relating to the Notes (the "Preliminary Official Statement"), and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Notes.

Section 3. The County Clerk, in conjunction with the Financial Advisor and Bond Counsel, is hereby authorized and directed to give notice of the note sale by distributing copies of the Notice of Note Sale and Preliminary Official Statement to prospective purchasers of the Notes. Proposals for the purchase of the Notes shall be submitted upon the terms and conditions set forth in the Notice of Note Sale, and awarded or rejected in the manner set forth in the Notice of Note Sale.

Section 4. For the purpose of enabling the purchaser of the Notes (the "Purchaser") to comply with the requirements of Rule 15c2-12 of the Securities Exchange Commission (the "Rule"), the County Administrator and County Clerk are hereby authorized: (a) to approve the form of the Preliminary Official Statement and to execute the "Certificate Deeming Preliminary Official Statement Final" in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official's signature thereon being conclusive evidence of such official's and the Issuer's approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

Section 5. The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Notes or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. The Chairman, County Administrator and County Clerk, and the other officers and representatives of the Issuer are hereby authorized and directed to execute the engagement letter related to services to be provided by the Financial Advisor, in substantially the form attached hereto as *Exhibit B*.

Section 7. This Resolution shall be in full force and effect from and after its adoption.


[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ADOPTED by the governing body on October 23, 2019.




Chairman


Commissioner


Commissioner

ATTEST:

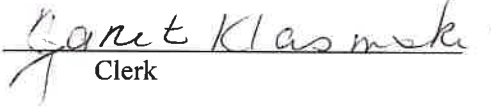

Clerk





EXHIBIT A

**CERTIFICATE DEEMING
PRELIMINARY OFFICIAL STATEMENT FINAL**

To: _____

Re: Approximately \$9,100,000 General Obligation Temporary Notes, Series 2019-1

The undersigned are the duly acting County Administrator and Clerk of Leavenworth County, Kansas (the "Issuer"), and are authorized to deliver this Certificate to the purchaser (the "Purchaser") of the above-referenced notes (the "Notes") on behalf of the Issuer. The Issuer has previously caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the "Preliminary Official Statement") relating to the Notes.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Notes depending on such matters.

LEAVENWORTH COUNTY, KANSAS

By: 
Title: County Administrator

By: 
Title: Clerk

EXHIBIT B

FORM OF FINANCIAL ADVISOR ENGAGEMENT LETTER

Mark Loughry, County Administrator
Leavenworth County, Kansas
300 Walnut
Leavenworth, Kansas 66048

RE: FINANCIAL ADVISORY SERVICES for \$9,100,000 (subject to change) General Obligation Temporary Notes, Series 2019-1

Stifel, Nicolaus & Company, Incorporated ("Stifel") presents for your acceptance this agreement to retain Stifel as financial advisor to Leavenworth County, Kansas ("Issuer") for the proposed General Obligation Temporary Notes, Series 2019-1 (the "Notes") estimated to be issued in the aggregate principal amount of approximately \$9,100,000. This agreement will be effective on the date signed by an authorized representative of Issuer and will authorize Stifel to act as financial advisor through the completed sale of the proposed Notes, at which time this agreement will terminate. This agreement may also be terminated on thirty (30) days written notice by either party.

1. Scope of Work. Stifel agrees to perform the following services for Issuer with respect to the Notes :
 - a. Assume overall responsibility for the financial analysis and structuring recommendations for the Notes;
 - b. Assist counsel to the Issuer in preparation of the preliminary and final official statements for the Notes consistent with all federal and state requirements;
 - c. Coordinate with consultants, accountants, bond counsel, other attorneys and staff in connection with the sale of the Notes;
 - d. Coordinate financing time schedule, distribution of documents, preliminary and final official statement printing, wire-transfer of funds, delivery of notes and note closing;
 - e. Assist Issuer on the matter of note rating(s) for the proposed issue and coordinate the preparation of credit information for submission and presentation to the rating agency(ies);
 - f. If requested, assist Issuer in procuring any appropriate ancillary financing-related products and services including, credit enhancement (e.g., bond insurance), paying agent/registrar/trustee, escrow agent (if applicable), escrow investments, and other such products and services as Issuer may deem necessary or desirable in connection with any financing.
 - g. Attend Issuer meetings as requested, with reasonable advance notice;
 - h. Provide such other services as are mutually agreed upon in writing by Issuer and Stifel.

2. Issuer's Obligations. Issuer agrees that, with respect to the Notes, its staff and consultants will cooperate with Stifel and make available any data in the possession of Issuer necessary to perform Stifel's financial advisory services and regulatory obligations as described in Exhibit A to this agreement.

3. Regulatory Disclosures:

- a. Issuer is aware of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Securities and Exchange Commission's adopted rule commonly known as the "Municipal Advisor Rule" (SEC Rule 15Ba1-1 to 15Ba1-8 -"the Rule"). Stifel will be serving as a municipal advisor to the Issuer under the Rule and this agreement documents the municipal advisory relationship between Stifel and the Issuer.
- b. MSRB Rule G-42 requires that a municipal advisor provide its client with certain written disclosures. Please see Exhibit A to this agreement for those disclosures.

4. Compensation:

For Stifel's financial advisory services and expenses in processing this bond series to be sold in a single competitive sale, Stifel shall be paid a fee equal to \$3.00 per \$1,000 of notes sold to be paid at the completion of the sale of the Notes. This amount includes all out of pocket expenses.

5. Authority to Direct Financial Advisor:

The following individuals have the authority to direct Stifel's performance of its scope of work under this agreement: Mark Loughry, County Administrator; David Van Parys, Senior County Counselor; and Janet Klasinski, County Clerk.

Respectfully submitted this ___ day of _____.

STIFEL, NICOLAUS & COMPANY, INCORPORATED

By: _____

Name: _____

Title: _____

ACCEPTANCE

I, _____ [insert title], upon approval by the governing body of Leavenworth County, Kansas, hereby accept the agreement as submitted by Stifel, Nicolaus & Company, Incorporated relative to the financial advisory services, as described herein.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

Leavenworth County, Kansas
FINANCIAL ADVISORY SERVICES for \$9,100,000 (subject to change)
General Obligation Temporary Notes, Series 2019-1

MSRB Rule G-42 Disclosures

As municipal advisor to Leavenworth County, Kansas (“you”), Stifel Nicolaus (“Stifel” or “we”) is subject to the rules of the Municipal Securities Rulemaking Board (MSRB), including MSRB Rule G-42, which took effect on June 23, 2016. We do not believe that Rule G-42 has substantively changed our obligations to you. The rule does, however, direct us to make certain disclosures to you. Please review the following disclosures and contact your Stifel municipal advisor if you have any questions.

Our Duties as Your Municipal Advisor

Rule G-42 describes our basic duties to you. Most importantly, we owe you a fiduciary duty, the principal element of which is a duty of loyalty. Under the duty of loyalty, we are required to deal honestly and in the utmost good faith with you and to act in your best interests without regard to our financial or other interests. We may not serve as your municipal advisor if we believe that we have any conflicts of interest that we cannot manage or mitigate so that we can act in your best interests.

Rule G-42 also provides that we owe you a duty of care. As part of that duty, we must possess the degree of knowledge and expertise needed to provide you with informed advice. Also, under that duty, when we make recommendations to you or help you to evaluate the recommendations of others, we may need to ask questions to make sure that we have all the relevant facts.

Disclosure of Conflicts

Rule G-42 requires us to disclose to you any known material, actual or potential conflicts of interest that could reasonably be expected to impair our ability to provide you with advice, including any conflicts associated with contingent fee arrangements. As described in our engagement letter, the payment of our fee will be contingent on the closing of the bond issue described in the engagement letter and the amount of compensation will be based on a percentage of the principal amount of the bond issue. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since we may have an incentive to recommend a transaction to you that is unnecessary or to recommend that the size of the bond issue be larger than is necessary. We would, of course, be willing to discuss an alternative fee arrangement, if that is your preference.

Stifel has not identified any additional potential or actual material conflicts that require disclosure

Legal and Disciplinary Event Disclosures

Each firm that is registered as a municipal advisor with the U.S. Securities and Exchange Commission (SEC) is required to file Form MA with the SEC and update that form periodically and as events change. The firm is also required to file a Form MA-1 for each of its employees who is engaged in municipal advisory activities. Stifel’s most recent Form MA and the Form MA-1 for each current Stifel municipal advisor employee may be found on the SEC’s EDGAR website using the following hyperlink:

<http://www.sec.gov/cgi-bin/browse-edgar?CIK=0000094403&owner=exclude&action=getcompany&Find=Search>.

Item 9 of Form MA requires each municipal advisor firm to disclose any criminal, regulatory violations, or self-regulatory violations and certain civil litigation. Because we are a broker-dealer firm, Form MA permits us to cross-reference to our Form BD, which is available on the website of the Financial Industry Regulatory Authority (FINRA), and our Form ADV, which is available on the SEC website. For your convenience, you may access our Form BD by using the following hyperlink: <http://brokercheck.finra.org/Firm/Summary/793>. You may access our Form ADV by using the following hyperlink: <https://www.adviserinfo.sec.gov/IAPD/IAPDSearch.aspx> and entering Firm 793 in the search field. Item 6 of each Form MA-I requires comparable disclosure about a municipal advisor individual, as well as customer complaint, arbitration, investigation, termination, financial, and judgment/lien disclosure. When an individual has a disciplinary history, Form MA-1 permits us to cross-reference to that individual's Form U-4. The disciplinary history on an individual's Form U-4 is accessible entering the individual's name in FINRA's "Broker-Check" service, using the following hyperlink: <http://brokercheck.finra.org/>.

Our Form MA was amended on July 14, 2017 to reflect the following settlement with FINRA:

In June 2017, Stifel agreed to pay a fine of \$125,000 to settle an alleged violation of MSRB Rule G-23. Stifel determined that a private placement with the county in which Stifel's school district client was located was a lower cost alternative for the school district than a public offering. Stifel presented the idea to the school district, which agreed to hire Stifel as its placement agent. Nevertheless, two months elapsed before Stifel provided disclosure to the school district that, in its role as placement agent, it was not a fiduciary to the school district as required by MSRB Rule G-23. The FINRA settlement document states that: "Because it failed to provide the role disclosure required by MSRB Rule G-23 in a timely manner, Stifel acted as both financial advisor and placement agent for the [school district] in connection with the [Bonds], in violation of MSRB Rule G-23." The alleged violation took place in 2012. Stifel now has robust procedures in place that are designed to result in timely G-23 disclosures to underwriting/placement clients.

We do not believe that any of the legal or disciplinary event disclosures described in our Form MA is material to our ability to serve as your municipal advisor.

Evaluation of Recommendations/Suitability

As provided in our engagement letter, we will assist you in evaluating recommendations, whether made by Stifel or, upon your written request, by third-parties, such as underwriters. We will provide you with our evaluation of the material risks, potential benefits, structure, and other characteristics of the transaction or product. We will discuss with you why we think a recommendation we make is suitable for you. In the case of recommendations made by an underwriter or other third-party that you request in writing that we review, we will discuss with you why we think the recommended transaction or product is or is not suitable for you. We will also inform you of any other reasonably feasible alternatives considered.

In order for us to evaluate whether we think a recommendation is suitable for you, we are required to consider the following factors and we may need information from you about those factors, much as if you were opening a brokerage account:

- financial situation and needs,
- objectives,
- tax status,
- risk tolerance,
- liquidity needs,
- experience with municipal securities transactions or municipal financial products generally or of the type and complexity being recommended,
- financial capacity to withstand changes in market conditions during the term of the municipal financial product or the period that municipal securities to be issued in the municipal securities transaction were reasonably expected to be outstanding, and
- any other material information known by the municipal advisor about the client and the municipal securities transaction or municipal financial product, after reasonable inquiry.

Additional Information

We also wish to inform you that Stifel is registered as a municipal advisor with both the SEC and the MSRB. Information about the duties of a municipal advisor, as well as the procedures for filing a complaint, may be found on the MSRB's website by clicking on the following link: <http://www.msrb.org/~media/Files/Resources/MSRB-MA-Clients-Brochure.ashx?la=en>. The general website for the MSRB is www.msrb.org. If you have any questions, please contact your municipal advisor.