

DATE: May 12, 2023
TO: SAA Board of Directors
FROM: Tim Rogers and Shelli Swanson
SUBJECT: **May 17, 2023 SAA Regular Board Meeting**

Enclosed are items for your review prior to Wednesday's meeting. Please note that the meeting will be held in the **first-floor conference room, Hangar 600, 2720 Arnold Ct.** A map showing the location of Hangar 600 is enclosed in your board meeting packet. The meeting is also available via the following GoTo link.

<https://meet.goto.com/salinaairport/salina-airport-authority-board-meeting>

Wednesday's meeting will feature discussion concerning the following 2023 Airport Authority priorities and objectives:

- Airport Authority strategic planning and staff succession planning
- Airfield improvement projects financing
- Maintaining an 89% occupancy rate
- Supporting community work force training and education lines of effort

Strategic Planning - The SAA's core values that have been set are Safety, Trust, Adaptability, Rooted in Community and Success (**STARS**). At the board meeting we'll review and discuss the following **STARS** core values meaning statements:

- **Safety** – Approach each day's tasks with attention and dedication to the safety of staff, airport users, tenants, and the public. Safety goals are achieved by means of planning and execution.
- **Trust** – Trust is earned by adhering to the SAA's Code of Ethics and commitment to fair and equitable treatment of all individuals, organizations, and entities.
- **Adaptability** – An important factor for economic and organizational success is the ability to make changes to fit changing local and world events. To meet the challenges of change, SAA board members and staff members are committed to make affective adjustments to goals and objectives.
- **Rooted in Community** – The SAA's goals and objectives are intended to result in a positive economic impact through partnerships that lead to business and jobs growth. The Airport Authority's partnerships also help improve the Salina community's quality of life.
- **Success** – The Airport Authority's success is measured by the success of its tenants, community partners, and staff members.

Succession Planning – At the meeting we'll review and discuss the draft position announcement for a deputy executive director.

Please note the following agenda comments.

Consent Agenda Items #4 and #5 – Approval of the Minutes of the April 19, 2023 Regular Board Meeting, Airport Activity Reports, and April 30, 2023 Financial Statements (Roberg)

Airport Activity – Air Traffic (Rogers)

The Salina air traffic control tower (ATCT) recorded 7,743 operations during April 2023 which was a 82% increase as compared to the April 2022 total of 4,258. For the year-to-date, a total of 27,946 operations have occurred at Salina Airport which is 28% more than the April 2022 YTD total of 21,839. **Current SLN ATCT manager Scott Hillegeist is scheduled to leave Midwest Air Traffic Control at the end of this May. Midwest is in the process of recruiting a new SLN ATCT manager.**

Airport Activity – Fuel Flowage (Rogers)

The April 2023 fuel flowage came in at 128,122 gallons which was 3.5% less than the April 2022 total of 132,790 gallons. For the year-to-date, a total of 590,266 gallons have been delivered at the Airport which is 35% less than the April 2022 YTD total of 903,986 gallons. **Ft. Riley has scheduled additional charter and cargo flights that will occur starting this May and continue through October. The flights will boost fuel flowage numbers.**

Airport Activity – Passenger Enplanements (Rogers)

During April 2023 SkyWest enplaned 1,307 passengers, which was a 20% decrease over the April 2022 total of 1,634 passengers. The April 2023 total passenger count was 2,654 which was an 18% decrease as compared to the April 2022 total of 3,227. Total April 2023 YTD passenger enplanements on SkyWest flights totaled 4,365 which was a 28% decrease as compared to the April 2022 YTD total of 6,032. **A July 2023 schedule change that moves the DEN flight to a morning departure will result in improved passenger enplanements.**

Financial Reports – Comments and Notes (Swanson)

Highlights from the April 30, 2023, financials include:

- Unrestricted cash in bank at \$1,000,996 (Cash in bank operating funds less security deposits returnable.)
- Total YTD income came in 7% over the same period in 2022 and is tracking 6% or \$58,756 ahead of the 2023 budget projections.
- Total operating expenses came in 4% under budget and are down 1% or \$8,582 less than 2022.
- Net operating income before depreciation equaled \$114,059 at the end of April, which is ahead of budget by \$103,186.

We are pleased to report that the SAA's Annual Comprehensive Financial report for December 31, 2021, has qualified for the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. We have enclosed the GFOA press release.

The disbursements from the 2021-1 and 2022-1 GO Temporary Note project fund accounts during April are included as a separate report in the enclosed financial statements.

Financial Reports – April 2023 Significant Expenditures/Payables Report Enclosed

Financial Reports – Accounts Receivable Past Due 31 days or more as of May 12, 2023 (Swanson)

Account	Amount	Days	Comments
Agco Corporation	\$6,044	31>90	Building rental
Carr, Bill	\$170	31-60	Building rental
Enel Green Power	\$3,350	31>90	Building rental & finance charges
iAero Airways	\$3,625	31>90	Landing fees & ARFF coverage

Short-term Leasing Activity

On May 8, the SAA executed a 12-day lease with Blue Air Training in support of terminal attack controller course training flights from the Airport. This agreement will generate \$9,060 in hangar and equipment rental. Blue Air will bring up to four aircraft including fixed wing and rotorcraft to base on the east side of Hangar 600. The May exercise represents the third training iteration based at SLN during 2023.

Miller Pipeline renewed their lease for another year at Hangar 506-1 at 2010 Kneubuhl Court, Unit B. The annual rental equals \$27,240 in hangar rental. Miller Pipeline has operated in Salina since 2016 as a utility contractor on gas infrastructure projects in the area. The rental is adjusted based on the percentage of change in the CPI and has increased 14.4% since inception.

Another returning airfield customer is the 34th Weapons Squadron from Nellis AFB. On April 26, 2023, the SAA entered into a 23-day agreement with the 34th for the leasing of a portion of Hangar 600 this fall. This agreement will generate \$30,660 in hangar and equipment rental revenue.

Agenda Item #6 – STARS (Core Values) Meaning Statements (Rogers and Dreiling)

- **Safety** – Approach each day’s tasks with attention and dedication to the safety of staff, airport users, tenants, and the public. Safety goals are achieved by means of planning and execution.
- **Trust** – Trust is earned by adhering to the SAA’s Code of Ethics and commitment to fair and equitable treatment of all individuals, organizations, and entities.
- **Adaptability** – An important factor for economic and organizational success is the ability to make changes to fit changing local and world events. To meet the challenges of change, SAA board members and staff members are committed to make affective adjustments to goals and objectives.
- **Rooted in Community** – The SAA’s goals and objectives are intended to result in a positive economic impact through partnerships that lead to business and jobs growth. The Airport Authority’s partnerships also help improve the Salina community’s quality of life.
- **Success** – The Airport Authority’s success is measured by the success of its tenants, community partners, and staff members.

Agenda Item #7 – Deputy Executive Director’s Position Announcement (Swanson and Dreiling)

Enclosed is a draft position description for review and discussion. Shelli and Lindsey Dreiling will provide an overview of the recruitment and selection process calendar.

Agenda Item #8 – Public Hearing Regarding the Salina Airport Authority’s Intent to Issue \$8,878,000 General Obligation Bonds, Series 2023-B that are Subject to AMT. (Swanson, Arteberry and Walter)

A public hearing is required for the Series 2023-B general obligation bonds. Bond counsel Mitch Waters will assist with the public hearing that will be opened by Chair Roberg. After hearing public comments Chair Roberg will close the public hearing.

Agenda Item #9 – Presentation of the Bids Received for the Sale of Salina Airport Authority General Obligation Bonds, Series 2023-A, Series 2023-B, and Series 2023-C. (Swanson, Arteberry and Walter)

Dave Arteberry and Shelli will present the results of the public offering for the following general obligation bonds for which bids will be received at 11:00 a.m. on May 16.

- a. \$1,000,000 Taxable General Obligation Bonds, Series 2023-A
- b. \$8,878,000 General Obligation Bonds, Series 2023-B (Subject to AMT)
- c. \$6,855,000 General Obligation Bonds, Series 2023-C

Agenda Item #10 – Consideration of SAA Resolutions Nos. 23-07, 23-08, and 23-09 Authorizing and Directing the Issuance, Sale, and Delivery of the following bonds and accepting the best bids submitted. (Swanson, Arteberry, and Walter)

- d. \$1,000,000 Taxable General Obligation Bonds, Series 2023-A
- e. \$8,878,000 General Obligation Bonds, Series 2023-B (Subject to AMT)
- f. \$6,855,000 General Obligation Bonds, Series 2023-C

At the April 19, 2023 meeting, the SAA board approved Resolution No. 23-06 authorizing the offering for sale of the aforementioned General Obligation Bonds. The enclosed resolutions authorize and direct the issuance, sale, and delivery of the bonds; providing for the levy and collection of annual tax for the purpose of paying the principal and interest on said bonds as they become due. A final version of the resolutions will be presented to you at the meeting that incorporates the results of the May 16 bids.

Recommendation: A staff recommendation will be provided at the meeting following the presentation of bids received.

Agenda Item #11 – Consideration and Approval of the Second Addendum to November 30, 2021, Lease with Stryten Salina, LLC for Warehouse Space in Building B655. (Swanson)

In August of 2020, Atlas Holdings established Stryten Manufacturing to operate former Exide Technologies’ plants, including Salina. In October 2020, the SAA and Stryten entered into a Lease Agreement for 56,961 SF of warehouse space and put the warehouse space formerly leased by Exide into a lease agreement with Stryten Salina, LLC. On November 17, 2021, the Lease was amended by the First Addendum which provided for an increase to the leasehold premises to 96,611 SF in building B655, which effectively includes all B655 warehouse space.

The Lease as amended by the First Addendum is scheduled to expire on September 30, 2023, and Stryten desires to extend the Lease for an additional 16-month term with two 6-month options.

The Second Addendum terms are summarized as follows:

Lease Addendum Effective Date:	October 1, 2023
Lease Term Expiration:	January 31, 2025
Basic rental:	Primary Term: \$20,125 per month Option Period 1: \$20,145 per month Option Period 2: \$20,347 per month \$2.50-2.53 per SF per year
Utilities:	Lessee responsibility
Bldg. Insurance	SAA responsibility
Broker Fee:	SAA responsibility- 3% of total gross aggregate base rent and any lease renewal terms, if exercised.

Recommendation: Approval of the proposed B655 Second Addendum with Stryten Salina LLC and authorize Chair Roberg to sign the Agreement.

Agenda Item #12 – Consideration and Approval of the Transfer of Lot 8, Block 4, Schilling Subdivision No. 5, City of Salina (1.57 acres) to the Salina Area Technical College for the Construction of a New Building for the Industrial Maintenance and Automation Program.
(Rogers)

At the Airport Authority’s March 10, 2021, special board meeting, Salina Area Technical College (SATC) president Greg Nichols presented plans for construction of a new SATC building. Initial plans were for the building to house health care and childcare education and training programs. Mr. Nichols’ presentation included a request that the Airport Authority donate two lots adjacent to the SATC campus as the site for the new building. The property of interest were Lots 8 (1.57 acres) and 9 (1.72 acres), Block 4, Subdivision No. 5, Schilling Subdivision. At the time the new construction was contingent on raising the funds needed to construct the new building. With a unanimous vote, the SAA board voted for approval to donate the lots to SATC. Below is the minutes excerpt from the March 10, 2021 meeting.

Salina Area Technical College (SATC) Request to Acquire SAA Property

Rogers presented five options regarding the acquisition of the Airport Authority’s property located adjacent to the SATC campus. The property of interest is Lots 8 (1.57 acres) and 9 (1.72 acres), Block 4, Subdivision No. 5, Schilling Subdivision. The acquisition of the SAA’s two lots totaling 3.29 acres would permit SATC to proceed with fund raising efforts to construct a new education building for health care and childcare education/training programs. The board consensus is to consider option #4, to donate lots 8 and 9 at no cost with development to occur within three (3) years. SATC will provide additional plans for Bldg. G. Director Gunn moved to approve the acceptance of option #4, to donate lots 8 and 9 to SATC. Director Buer seconded. Motion passed unanimously.

Since 2021 the SATC’s focus for a new campus building construction switched to the need to support Salina Area manufacturer’s need for trained industrial maintenance and automation workers. The SATC board of trustees has approved a \$3.9M budget to design and construct the new Industrial Maintenance and Automation Center. The college’s revised request is that the Airport Authority donate Lot 8 (1.57 acres) for the project. The college is working on obtaining contractor bids and will be able to start construction as early as this June.

Enclosed is a draft **Kansas Warranty Deed** that would transfer **Lot 8** to SATC. The deed includes an aerial easement that limits construction on **Lot 8** to a maximum height of 1,437 feet above sea level or approximately 180 feet above ground elevation.

Recommendation: Approval of the transfer of Lot 8, Block 4, Schilling Subdivision No. 5, City of Salina (1.57 acres) to the Salina Area Technical College for the Construction of a New Building for the Industrial Maintenance and Automation Program by means of a Kansas Warranty Deed.

Please let me know if you had questions that you would like me to prepare for prior to the board meeting.

DATE: May 12, 2023
TO: Tim Rogers
FROM: Maynard Cunningham
SUBJECT: **May 17, 2023, SAA Regular Board Meeting**

Facilities and Construction Notes

New Projects

- **Former SAFB (Schilling Air Force Base) Environmental Cleanup Project – Plume B Excavation** – Excavation of a site near Building 614, as part of the Former SAFB environmental cleanup project, requires relocation of utilities for SAA Building 614 (maintenance shop) prior to the site excavation. Dragun Corp. is developing the scope of work, and SAA will seek contractor bids for the utility relocation including water, sewer, gas, and overhead electric power lines.
- **General Aviation Hangars (C-Hangars)** – The site survey has been completed and preliminary engineering design site plans have been received. Bret Givens Construction has forwarded two of the four general aviation hangar building drawings to an engineer to produce footing drawings. Each building consists of either, two, three, or four hangar units, with 13 total hangar units. The existing T-Hangars on site were removed between May 2 and May 10, 2023.

Current Projects

- **H626 (Hangar Rehabilitation) – Rehabilitation Construction** – Hutton has been selected as the Construction Manager at Risk for the Hangar 626 Rehabilitation. Architect One has completed plans for the project and submitted for City permitting review. Bids have been received by Hutton for subcontractor selection. Demolition of the interior began May 1, 2023. Removal of the existing north hangar doors began May 8, 2023.
- **H959 (1 Vision Aviation) – KDHE Permit** – SAA, Dragun and partner Environmental Partners visited 1 Vision’s hangar bay December 15, 2022, and met with 1 Vision personnel to review processes, coatings, and permit requirements, if any. From Dragun’s review, it has been determined that the coatings in use meet state requirements, and the volume calculations indicate that 1 Vision’s annual usage is below state regulation thresholds.
- **PH305 (SLN Fuel Facility) AIP-47** – 90% design plans and an estimated probable construction cost were submitted to FAA for review March 13, 2023. FAA provided concurrence to advertise for bids April 17, 2023. Notice to Bidders was sent out the same day, with the bid opening scheduled for May 22, 2023. The grant application for construction of the SLN Fuel Facility will be submitted to the FAA in May.



- **Runway 12/30 AIP-48** – Aviation provided an updated Runway 12/30 Rehabilitation Design contract March 23, 2023. The Runway 12/30 Rehabilitation Design grant application and project budget were submitted to the FAA March 30, 2023.

Special Projects

- **AIT and CTX Devices at SLN** - TSA approval has been received for an Advanced Imaging Technology (AIT) device, commonly referred to as full body scanner technology, and a computed tomography explosives (CTX) detection device for checked baggage at the airport terminal building to improve passenger and bag screening. AIT installation is scheduled for May 17, 2023. CTX device installation is scheduled for June 27, 2023.
- **ACARS at SLN Terminal Building** – After Collins Aerospace conducted a site survey January 25, 2023, they selected Accurate Electric to install electrical outlets, cable, and antenna mounts in advance of the installation of the Aircraft Communications Addressing and Reporting System (ACARS) Ground Radio Station components at SLN airport terminal building. ACARS is a digital datalink system for transmission of messages between aircraft and ground stations. Verizon installed data service May 11, 2023. Some equipment has arrived in advance of the installation.

Completed Projects

- **Terminal Ramp** – SAA operations and maintenance personnel completed concrete and mastic asphalt repairs on the terminal ramp during late March and April.
- **H626 (Hangar Rehabilitation)** –
 - **Boiler Room Demolition** – T&R Construction completed demolition and removal of the equipment and piping in the boiler room at H626.

DATE: May 11, 2023
TO: Tim Rogers, Executive Director
FROM: Kasey L. Windhorst
SUBJECT: May Board Meeting Update

Airport Certification

The Airport Certification Manual (ACM) and Airport Emergency Plan (AEP) have been reviewed and revised per Federal Aviation Administration (FAA) guidelines. These documents serve as the foundation for our Part 139 Certificate and are updated to reflect changes in operations, procedures, and FAA regulations.

The FAA approved version of the revised ACM can be found on the SAA website under the reports section.

<https://www.salinaairport.com/public-information/reports.aspx>

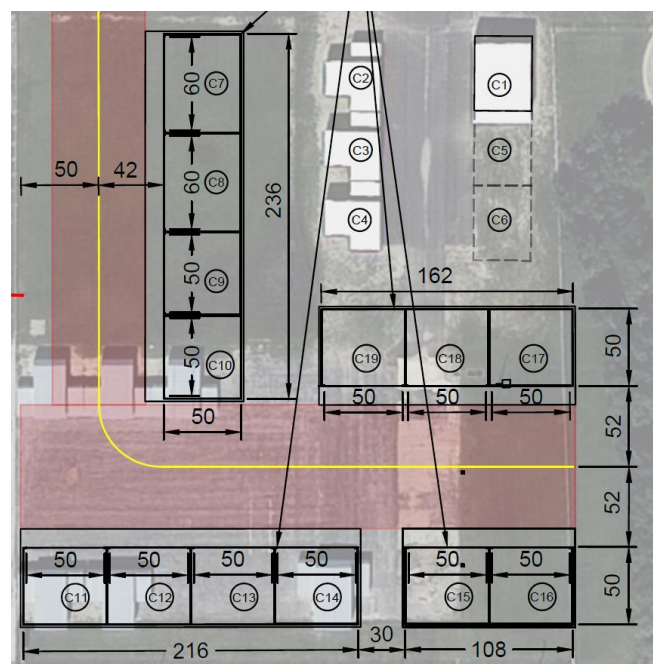
SAA staff is preparing for the upcoming annual Part 139 airport certification and safety inspection by the Federal Aviation Administration (FAA). The inspection is split into two portions. The administration portion includes inspection records, training curriculum, training schedule, and annual personnel training records. The administrative portion of the inspection will be completed prior to the on-site inspection. The on-site inspection is scheduled for May 24-25, 2023, and will include review of the airfield, vehicles, and a simulated alert.

General Aviation (GA) Hangars Update

Notices regarding the new general aviation hangar construction project have been submitted to existing t-hangar tenants and individuals currently on the airport authority t-hangar wait list.

Staff has designated the C-hangars in the new GA hangar location as noted in the diagram on the right.

With the latest round of notices sent out, we now have pre-leased (10) hangars and have (3) box hangars available. The three remaining hangars are C13, C15 and C16.



School Tours

A total of 65 adults and students toured the terminal building, air traffic control tower (ATCT), and Aircraft Rescue Fire Fighting (ARFF) station during the month of April. Choices Network, which specializes in life coaching for special needs adults, brought several clients to the airport as a precursor to a trip to Disney. The group was able to familiarize themselves with an airport prior to the trip. Demonstrating what to expect in travel situations will provide for a smoother process and will reduce anxiety for the clients. SAA, TSA, SKW, and SLN ATCT staff did a wonderful job partnering together to make the tour a success.



Airport Use Agreements

SAA staff is in the process of preparing airport use agreements to secure ground transportation services between Manhattan and Salina, KS. The ground transportation service providers will support travelers that are unable to travel from the Manhattan airport due to this summer's runway reconstruction at MHK.

Announcements

Below are the upcoming scheduled board meetings. All board meetings will be held at Hangar H600, Room 100.

Wednesday, May 17, 2023, 8:00 a.m.

Wednesday, June 21, 2023, 8:00 a.m.

Wednesday, July 19, 2023, 8:00 a.m.

Wednesday, August 16, 2023, 8:00 a.m.

Regular Board Meeting

Regular Board Meeting

Regular Board Meeting

Regular Board Meeting

SALINA AIRPORT AUTHORITY REGULAR BOARD MEETING
Hangar H600, First Floor Conference Room
2720 Arnold Court

May 17, 2023 – 8:00 AM

AGENDA - AMENDED

Call to Order: (Roberg)

1. Call to order, determine that a quorum is present and confirm that the meeting notice has been published. (Roberg)
2. Recognition of guests. (Roberg)
3. Additions to the agenda and agenda overview. (Rogers)

Consent Agenda: (Roberg)

4. Approval of the minutes of the April 19, 2023, regular board meeting.
5. Approval of the airport activity and financial reports for the month ending April 30, 2023.

Strategic Planning: (Rogers and Dreiling)

6. Review and discussion of STARS (core values) meaning statements.
7. Review of the deputy executive director's job announcement.

Public Hearing: (Roberg)

8. A public hearing regarding the Salina Airport Authority's intent to issue \$8,878,000 General Obligation Bonds, Series 2023-B that are subject to AMT. (Swanson, Arteberry and Walter)

Action Items:

9. Consideration of bids received for the sale of the following Salina Airport Authority general obligation bonds. (Swanson, Arteberry, and Walter)
 - a. \$1,000,000 Taxable General Obligation Bonds, Series 2023-A
 - b. \$8,878,000 General Obligation Bonds, Series 2023-B (Subject to AMT)
 - c. \$6,855,000 General Obligation Bonds, Series 2023-C
10. Consideration of SAA Resolutions Nos. 23-07, 23-08 and 23-09 accepting bids submitted for the following Salina Airport Authority general obligation bonds. (Swanson, Arteberry and Walter)
 - a. \$1,000,000 Taxable General Obligation Bonds, Series 2023-A
 - b. \$8,878,000 General Obligation Bonds, Series 2023-B (Subject to AMT)
 - c. \$6,855,000 General Obligation Bonds, Series 2023-C
11. Consideration and approval of the second addendum to the November 30, 2021, lease with Stryten Salina, LLC for warehouse space in building B655. (Swanson)



12. Consideration and approval of the transfer of Lot 8, Block 4, Schilling Subdivision No.5, City of Salina (1.57 acres) to the Salina Area Technical College for the construction of a new building for the industrial maintenance and automation program. (Rogers)

13. Consideration and acceptance of a \$315,450, FAA, Airport Improvement Program (AIP) Grant Agreement No. 48 to fund ninety (90%) of the cost to design the rehabilitation of Runway 12/30 at the Salina Regional Airport, including resurfacing, new runway edge lighting and lighted guidance signs. (Rogers and Swanson)

14. Approval of a \$359,839 engineering and design contract with Jviation for the Runway 12/30 rehabilitation project. (Rogers and Swanson)

Staff Reports: (Rogers)

Directors' Forum: (Roberg)

Visitor's Questions and Comments: (Roberg)

Announcements: (Windhorst)

Adjournment: (Roberg)



**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
APRIL 19, 2023
HANGAR 600, ROOM 100**

Call to Order

Chair Tod Roberg called the meeting to order at 8:00 A.M. and confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst stated that the meeting notice and the board packet was published and distributed on Friday, April 14, 2023.

Attendance

Attendance was taken. Present were Directors Roberg, Carlin, Gunn, Boos and O'Brien. Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Maynard Cunningham; Business and Communications Manager Kasey Windhorst; Airport Administration Specialist Michelle Moon; and Attorney Greg Bengtson attended. Guests were Mitch Robinson, Salina Community Economic Development Organization; Julie Yager-Zucker, Avflight Salina; David Arteberry, Stiefel; Mitch Walter, Gillmore & Bell; Lindsey Dreiling, Dreiling Aviation Services; and Cody Heiman, First Bank Kansas. Bob Vidricksen, Saline County Commissioner, attended via GTM.

Consent Agenda

Executive Director Rogers reviewed the revised format for presenting items to the board packet for consent. The consent agenda included the following.

- Approval of the minutes of the March 15, 2023 regular board meeting
- Approval of the minutes of the March 29, 2023 special board meeting
- Approval of the airport activity and financial reports ending March 31, 2022

Director Gunn moved to approve the items on the consent agenda, seconded by Director Boos. Motion carried 5 – 0.

Strategic Planning

Lindsey Dreiling, Dreiling Aviation Services presented the progress to date to define the Vision, Mission Statement and Values for the Salina Airport Authority. Further discussion followed to solidify the Vision and Mission Statements. Suggestions were taken for Values and discussion narrowed the suggestions down to five: Safety, Trust, Adaptability, Rooted in Community, Success (STARS).

Rogers presented an overview of potential growth of military operations at the Salina Airport and potential construction of a new Kansas National Guard, Army Aviation Support Facility. Rogers also reviewed airfield improvements that may be needed to support fifth generation jet fighters that are expected to begin using Smoky Hill Weapons Range in the future. Staff will begin the process of updating the Airport Master Plan to provide for the growth of military facilities and operations.

Action Item: Resolution No. 23-06

Director of Administration and Finance Swanson reviewed SAA Resolution No. 23-06 which authorizes SAA staff, bond counsel and financial advisor to proceed with offering for sale general obligation bonds and to proceed with all actions necessary to sell the bond. Swanson discussed the sources and uses of funds in the amount of \$16,725,000. The bonds will be used to retire

outstanding temporary notes and fund the Hangar H626 project, general aviation box hangars and aviation fuel facility improvements.

Mitch Walter, Gilmore & Bell explained the differences between tax exempt bonds for a public facility, Alternate Minimum Tax (AMT) bonds (applicable to the fuel farm project), and taxable bonds (applicable to H606 and H626). David Arteberry, Stiefel reviewed the debt service schedule. Staff recommended board approval of SAA resolution 23-06. Motion was made by Director Carlin, and seconded by Director Boos, to approve SAA Resolution 23-06, authorizing the offering for sale of General Obligation Bonds of the Salina Airport Authority, not to exceed \$16,725,000, and authorize Chair Roberg to sign the resolution. Motion carried 5 – 0.

Staff Reports

Rogers updated the board on the fuel farm construction design and bid schedule. Invitation to bid was issued April 18, 2023, and the bid opening is scheduled for May 8, 2023. The base bid includes four (4) fuel tanks; add alternate #1 is for two (2) additional tanks; add alternate #2 is for a defuel tank. After bids are opened, the grant application for discretionary funds will be submitted to the FAA.

Rogers presented the Aviation Learning Opportunities and Funded Training (ALOFT) program overview. The ALOFT program is an opportunity to increase Salina and Saline County's capability to recruit and train much needed workers at 1 Vision Aviation and other SLN based aviation businesses. ALOFT grant funding would allow us to use a rehabilitated hangar H626 as the location for the SLN Aviation Innovation and Maintenance Center of Excellence (AIM Center). Dreiling reviewed the Kansas Department of Commerce grant application process. ALOFT is a 6-

week apprenticeship program at the SLN AIM center, providing basic skills. Graduates of the apprenticeship program will be able to apply the skillsets to K-State's program prerequisite or move directly to employment at local manufacturing and technical businesses. Dreiling also discussed the partnership of the airport authority with 1Vision, K-State and the Chamber. The grant would be for approximately \$5M, with \$3.9M designated for equipment. Dreiling confirmed that the SLN AIM center and the ALOFT apprenticeship program would be singularly staffed and operated by the Salina Airport Authority.

Director Gunn moved to adjourn, seconded by Director Carlin. The meeting adjourned at 9:35 A.M.

Minutes approved at the May 17, 2023, board meeting.

Kasey L. Windhorst, Board Clerk

(SEAL)

**SALINA AIRPORT AUTHORITY
AIRPORT ACTIVITY REPORT
2023**

AIR TRAFFIC/ATCT

April, 2023	7,743 Operations 615 Instrument Operations 569 Peak Day
April, 2022	4,258 Operations 680 Instrument Operations 305 Peak Day
January 2023 - April 2023	27,946 Operations
January 2022 - April 2022	21,839 Operations
January 2021 - April 2021	26,412 Operations

FUEL FLOWAGE

April, 2023	128,122 Gallons
April, 2022	132,790 Gallons
January 2023 - April 2023	590,266 Gallons
January 2022 - April 2022	903,986 Gallons
January 2021 - April 2021	600,478 Gallons

		Avflight	
		Self-fuel	
	Avflight	Military/Gov't	Station
KSU-S	Salina	Portion	Portion
11,450	116,672	25,581	338
11,681	121,109	22,184	297
42,700	547,566	112,901	966
44,264	859,722	287,216	1,139
41,530	558,948	136,544	1,263

SkyWest Airlines

	ENPLANEMENTS	DEPLANEMENTS	TOTAL
April, 2023	1,307 Passengers	1,347 Passengers	2,654
April, 2022	1,634 Passengers	1,593 Passengers	3,227
January 2023 - April 2023	4,365 Passengers		
January 2022 - April 2022	6,032 Passengers		
January 2021 - April 2021	2,614 Passengers		

ENPLANEMENTS - Charter Flights

April, 2023	0 Passengers
April, 2022	0 Passengers
January 2023 - April 2023	263 Passengers
January 2022 - April 2022	2,065 Passengers
January 2021 - April 2021	385 Passengers

TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights

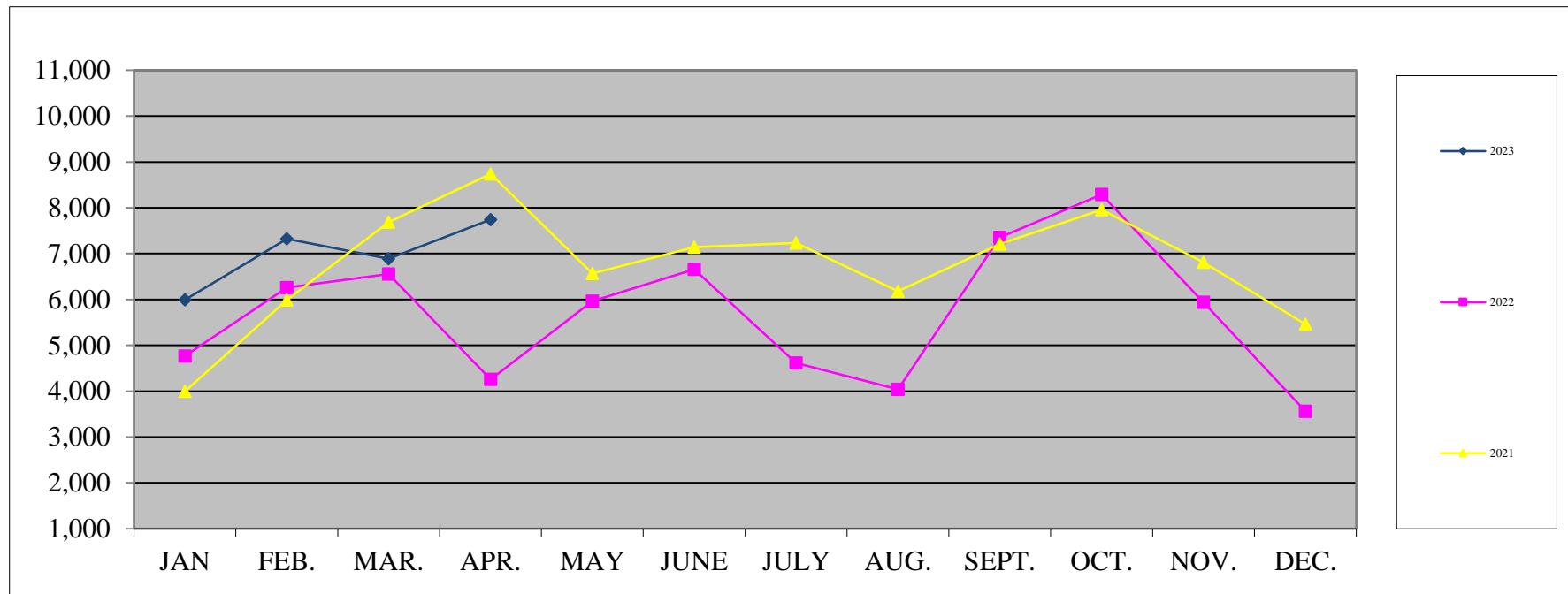
April, 2023	1,307 Passengers
April, 2022	1,634 Passengers
January 2023 - April 2023	4,628 Passengers
January 2022 - April 2022	8,097 Passengers
January 2021 - April 2021	2,999 Passengers

AIRPORT TRAFFIC RECORD
2022 - 2023

	ITINERANT					LOCAL			Total Operations
	AC	AT	GA	MI	Total Itinerant	Civil	Military	Total Local	
2023									
January, 23	125	1,650	655	267	2,697	3,018	278	3,296	5,993
February, 23	130	2,351	701	299	3,481	3,615	224	3,839	7,320
March, 23	138	1,757	652	349	2,896	3,766	228	3,994	6,890
April, 23	130	2,074	759	348	3,311	4,246	186	4,432	7,743
May, 23									
June, 23									
July, 23									
August, 23									
September, 23									
October, 23									
November, 23									
December, 23									
Totals January - April	523	7,832	2,767	1,263	12,385	14,645	916	15,561	27,946
2022									
January, 22	124	1,618	610	156	2,508	2,062	194	2,256	4,764
February, 22	128	2,269	680	151	3,228	2,974	58	3,032	6,260
March, 22	131	2,009	722	329	3,191	3,188	178	3,366	6,557
April, 22	176	1,876	616	151	2,819	1,381	58	1,439	4,258
May, 22									
June, 22									
July, 22									
August, 22									
September, 22									
October, 22									
November, 22									
December, 22									
Totals January - April	559	7,772	2,628	787	11,746	9,605	488	10,093	21,839
Difference	-36	60	139	476	639	5,040	428	5,468	6,107
YTD % Change	-6%	1%	5%	60%	5%	52%	88%	54%	28%
Legend:	AC: Air Carrier		AT: Air Taxi						
	GA: General Aviation		MI: Military						

AIR TRAFFIC

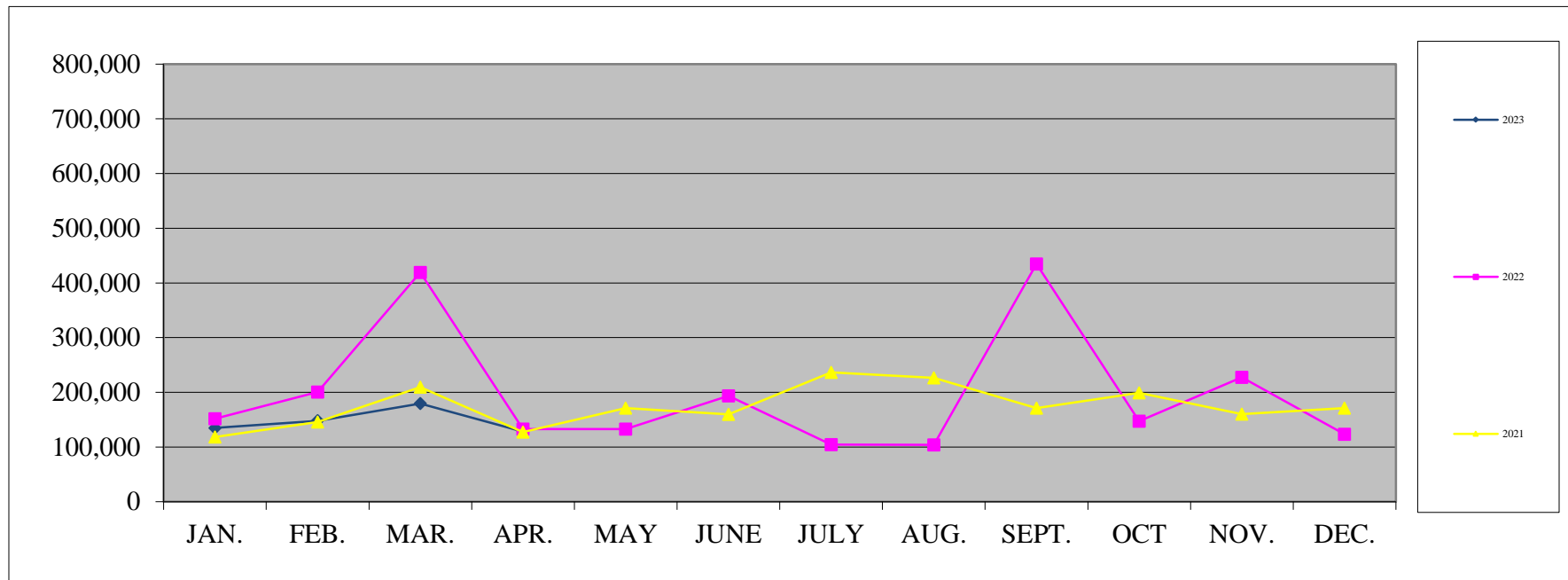
	<u>JAN</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2023	5,993	7,320	6,890	7,743									27,946
2022	4,764	6,260	6,557	4,258	5,965	6,660	4,613	4,040	7,352	8,289	5,940	3,564	68,262
2021	3,996	5,989	7,688	8,739	6,570	7,142	7,230	6,181	7,206	7,958	6,808	5,463	80,970
2020	3,109	6,494	2,841	1,398	2,614	5,846	5,399	7,318	7,550	8,532	5,078	4,269	60,448
2019	3,102	4,852	6,848	8,225	6,328	8,541	8,051	5,520	7,187	7,240	6,072	4,587	76,553
2018	3,418	4,601	6,312	5,510	5,094	6,865	6,865	4,910	6,336	9,974	5,317	4,091	69,293
2017	3,539	6,598	5,329	5,340	4,253	4,338	3,613	4,717	7,081	6,177	6,062	4,094	61,141
2016	4,422	7,789	7,962	7,312	6,898	8,011	5,877	4,789	7,593	6,052	5,458	4,948	77,111
2015	6,918	7,133	8,557	8,870	8,022	7,268	8,089	5,426	8,846	11,367	8,753	7,101	96,350
2014	6,511	6,887	7,143	8,426	8,365	7,234	7,423	5,756	9,035	10,496	8,316	5,509	91,101
2013	5,341	7,146	7,440	7,349	7,336	8,291	6,696	6,694	8,755	10,136	7,946	7,001	90,131



FUEL FLOWAGE

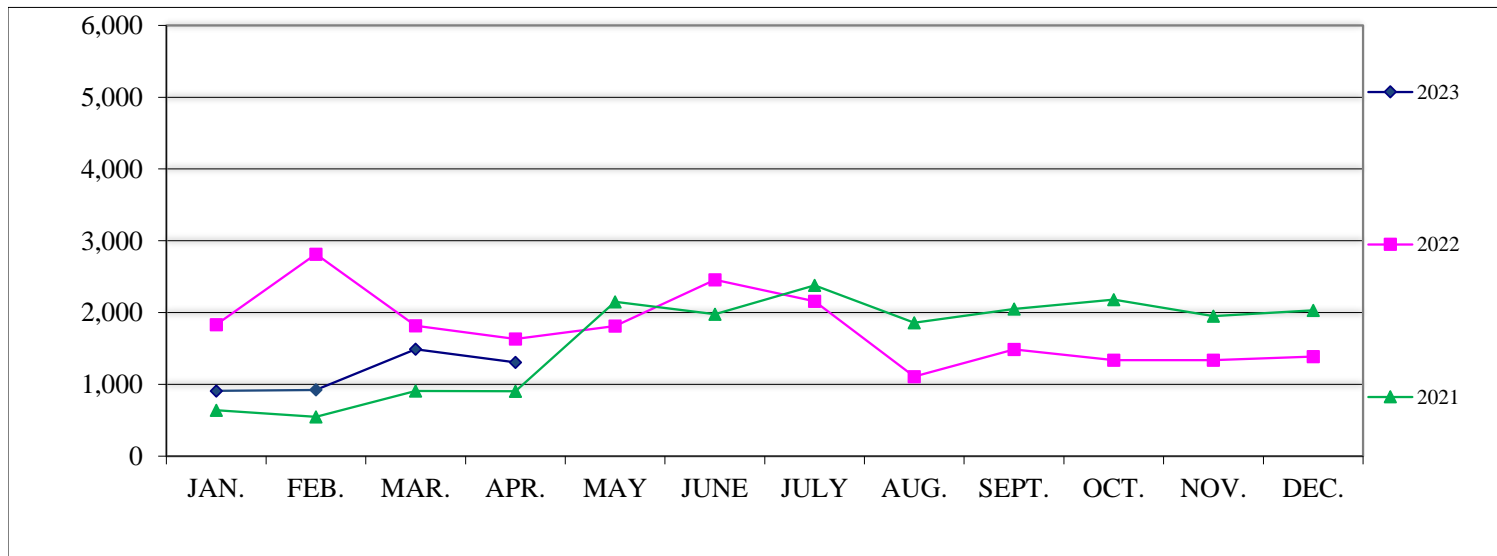
Gallons of Fuel Sold at SLN

	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2023	134,955	147,775	179,414	128,122									590,266
2022	151,697	200,550	418,947	132,791	132,881	193,611	104,328	103,932	434,725	147,216	227,214	123,281	2,371,173
2021	118,269	145,726	209,376	127,107	171,289	159,725	236,452	226,367	171,259	199,197	160,279	171,150	2,096,198
2020	118,337	341,329	124,865	56,765	90,326	105,987	142,234	692,613	128,710	208,081	170,893	114,869	2,295,009
2019	156,531	183,334	150,881	119,745	172,835	157,376	111,147	645,834	161,888	223,382	108,525	87,182	2,278,659
2018	74,807	186,507	172,561	154,513	131,941	367,663	288,977	303,273	348,454	161,563	125,129	99,437	2,414,825
2017	115,075	588,072	203,387	149,134	143,801	211,351	160,134	126,751	418,616	172,614	200,050	133,173	2,622,158
2016	80,221	136,763	130,990	94,673	153,410	132,964	208,846	375,330	137,906	126,983	100,764	182,062	1,860,912
2015	176,746	188,406	290,470	132,543	128,100	126,428	237,782	108,581	143,816	717,601	147,853	89,277	2,487,603
2014	115,573	135,651	112,694	95,549	110,387	282,468	103,108	83,757	91,423	652,207	90,948	97,295	1,971,061
2013	139,227	165,167	138,056	121,295	120,083	282,743	134,677	137,840	126,523	134,024	151,427	106,917	1,757,981



ENPLANEMENTS

	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2023	910	922	1,489	1,307									4,628
2022	1,833	2,815	1,815	1,634	1,813	2,458	2,157	1,109	1,486	1,338	1,339	1,386	21,183
2021	638	548	909	904	2,151	1,979	2,379	1,859	2,050	2,182	1,949	2,032	19,407
2020	1,232	4,716	2,219	52	105	338	392	1,705	552	624	602	628	10,561
2019	996	1,659	1,698	1,548	1,865	1,727	2,065	2,556	1,540	1,958	1,703	1,874	21,189
2018	414	715	370	783	1,387	1,751	1,623	5,553	2,095	2,230	1,756	1,622	20,299
2017	720	1,344	731	756	761	852	793	746	3,874	946	1,229	1,207	13,959
2016	36	0	0	0	0	104	372	910	637	558	574	692	3,883
2015	528	107	4,550	531	122	88	77	79	61	3,574	592	80	10,389
2014	145	109	140	135	175	403	282	223	178	431	157	178	2,556
2013	166	191	205	214	243	218	202	205	161	178	212	243	2,438



**Adjustment based on Nonscheduled/On-Demand Air Carrier Filings FAA Form 1800-31

SALINA Airport *Authority*

APRIL 2023

FINANCIAL STATEMENTS

[Moody's Credit Opinion -
Salina Airport Authority, KS /
8 May 2023](#)

Salina Airport Authority
Statement of Net Position Prev Year Comparison
As of April 30, 2023

05/12/2023

	<u>Apr 30, 23</u>	<u>Mar 31, 23</u>	<u>\$ Change</u>	<u>Apr 30, 22</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS						
Current Assets						
Checking/Savings						
Cash in Bank-Bond Funds	828,810	867,099	-38,289	2,013,920	-1,185,110	-59%
Cash in bank-Operating Funds	1,133,887	1,319,932	-186,045	2,090,743	-956,856	-46%
Cash in Bank - Mill Levy	<u>1,763,538</u>	<u>1,756,834</u>	<u>6,704</u>	<u>2,240,825</u>	<u>-477,287</u>	<u>-21%</u>
Total Checking/Savings	3,726,235	3,943,865	-217,630	6,345,488	-2,619,253	-41%
Accounts Receivable						
Accounts Receivable	153,758	119,103	34,655	112,653	41,105	36%
Total Accounts Receivable	153,758	119,103	34,655	112,653	41,105	36%
Other Current Assets						
Agri Land Receivable	71,000	71,000	0	66,760	4,240	6%
Mill Levy receivable	1,177,599	1,177,599	0	1,100,648	76,951	7%
Other current assets	422,917	435,850	-12,933	208,548	214,369	103%
Undeposited Funds	<u>9,578</u>	<u>0</u>	<u>9,578</u>	<u>10,870</u>	<u>-1,292</u>	<u>-12%</u>
Total Other Current Assets	1,681,094	1,684,449	-3,355	1,386,826	294,268	21%
Total Current Assets	5,561,087	5,747,417	-186,330	7,844,967	-2,283,880	-29%
Fixed Assets						
Fixed assets at cost	102,691,321	102,622,915	68,406	93,395,087	9,296,234	10%
Less accumulated depreciation	<u>-54,453,721</u>	<u>-54,203,721</u>	<u>-250,000</u>	<u>-50,970,578</u>	<u>-3,483,143</u>	<u>-7%</u>
Total Fixed Assets	48,237,600	48,419,194	-181,594	42,424,509	5,813,091	14%
Other Assets						
Deferred Outflow of Resources	1,147,779	1,147,779	0	1,085,654	62,125	6%
Total Other Assets	1,147,779	1,147,779	0	1,085,654	62,125	6%
TOTAL ASSETS	<u>54,946,466</u>	<u>55,314,390</u>	<u>-367,924</u>	<u>51,355,130</u>	<u>3,591,336</u>	<u>7%</u>
LIABILITIES & EQUITY						
Liabilities						
Current Liabilities						
Accounts Payable						
Accounts payable	178,612	331,899	-153,287	246,559	-67,947	-28%
Total Accounts Payable	178,612	331,899	-153,287	246,559	-67,947	-28%
Total Credit Cards	0	-353	353	4,398	-4,398	-100%
Other Current Liabilities						
Accrued debt interest payable	104,605	60,014	44,591	93,324	11,281	12%
Debt, current portion	8,397,157	8,397,157	0	1,710,800	6,686,357	391%
Deferred Agri Land Revenue	47,333	53,250	-5,917	44,507	2,826	6%
Deferred Mill Levy revenue	1,821,914	2,049,653	-227,739	1,637,370	184,544	11%
Other current liabilities	<u>233,900</u>	<u>266,543</u>	<u>-32,643</u>	<u>270,422</u>	<u>-36,522</u>	<u>-14%</u>
Total Other Current Liabilities	10,604,909	10,826,617	-221,708	3,756,423	6,848,486	182%
Total Current Liabilities	10,783,521	11,158,163	-374,642	4,007,380	6,776,141	169%
Long Term Liabilities						
Debt - Long Term	24,909,083	24,909,083	0	25,617,773	-708,690	-3%
Deferred Inflows of Resources	44,469	44,469	0	229,504	-185,035	-81%
Less current portion	-8,397,157	-8,397,157	0	-1,710,800	-6,686,357	-391%
Net OPEB Liability (KPERs)	9,003	9,003	0	13,911	-4,908	-35%
Net Pension Liability	942,015	942,015	0	509,789	432,226	85%
Security Deposits Returnable	<u>132,891</u>	<u>132,891</u>	<u>0</u>	<u>94,064</u>	<u>38,827</u>	<u>41%</u>
Total Long Term Liabilities	17,640,304	17,640,304	0	24,754,241	-7,113,937	-29%
Total Liabilities	28,423,825	28,798,467	-374,642	28,761,621	-337,796	-1%
Equity						
Invested in Capital Assets net	24,839,222	26,942,797	-2,103,575	20,296,110	4,543,112	22%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	1,431,668	-671,906	2,103,574	2,448,521	-1,016,853	-42%
Net Income	<u>161,752</u>	<u>155,031</u>	<u>6,721</u>	<u>-241,123</u>	<u>402,875</u>	<u>167%</u>
Total Equity	26,522,642	26,515,922	6,720	22,593,508	3,929,134	17%
TOTAL LIABILITIES & EQUITY	<u>54,946,467</u>	<u>55,314,389</u>	<u>-367,922</u>	<u>51,355,129</u>	<u>3,591,338</u>	<u>7%</u>

Salina Airport Authority
Profit & Loss Budget Performance
 April 2023

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 05/12/2023
 Accrual Basis

	Apr 23	Jan - Apr 23	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense						
Income						
Airfield revenue						
Fuel Flowage Fees	11,746	53,079	60,000	-6,921	88%	180,000
Hangar rent	82,667	330,588	314,333	16,255	105%	943,000
Landing fees	1,914	8,227	10,183	-1,956	81%	30,550
Ramp rent	6,892	25,768	22,333	3,435	115%	67,000
Total Airfield revenue	103,219	417,662	406,849	10,813	103%	1,220,550
Building and land rent						
Agri land rent	5,917	23,667	23,667	0	100%	71,000
Building rents - Long Term						
Short-term leasing	37,800	154,554	188,667	-34,113	82%	566,000
Building rents - Long Term - Other	87,230	353,642	283,000	70,642	125%	849,000
Total Building rents - Long Term	125,030	508,196	471,667	36,529	108%	1,415,000
Land rent						
Basic Land Rent	11,057	47,216	42,525	4,691	111%	127,574
Property tax - tenant share	9,167	36,667	35,809	858	102%	107,426
Total Land rent	20,224	83,883	78,334	5,549	107%	235,000
Tank rent	1,220	4,880	4,880	0	100%	14,640
Total Building and land rent	152,391	620,626	578,548	42,078	107%	1,735,640
Other revenue						
Airport Marketing	20,000	20,000	6,667	13,333	300%	20,000
ARFF Training	0	0	0	0	0%	0
Commissions	0	5,167	6,667	-1,500	78%	20,000
Other income	3,908	19,032	25,000	-5,968	76%	75,000
Total Other revenue	23,908	44,199	38,334	5,865	115%	115,000
Total Income	279,518	1,082,487	1,023,731	58,756	106%	3,071,190
Gross Profit	279,518	1,082,487	1,023,731	58,756	106%	3,071,190
Expense						
Administrative expenses						
A/E, consultants, brokers	4,902	19,578	15,556	4,022	126%	46,667
Airport promotion	22,196	82,528	83,667	-1,139	99%	251,000
Bad Debt Expense	0	0	1,667	-1,667	0%	5,000
Computer/Network Admin.	3,510	14,495	17,440	-2,945	83%	52,320
Dues and subscriptions	729	7,491	9,723	-2,232	77%	29,170
Employee retirement	7,823	31,503	30,828	675	102%	92,483
FICA and medicare tax expense	6,214	25,040	24,438	602	102%	73,313
Industrial development	4,792	19,167	20,000	-833	96%	60,000
Insurance , property	18,750	75,417	75,000	417	101%	225,000
Insurance, medical	721	52,299	74,000	-21,701	71%	222,000
Kansas unemployment tax	0	246	333	-87	74%	1,000
Legal and accounting	2,180	16,412	20,000	-3,588	82%	60,000
Office salaries	49,281	195,495	199,898	-4,403	98%	599,693
Office Supplies	0	1,017	3,333	-2,316	31%	10,000
Other administrative expense	592	3,260	4,950	-1,690	66%	14,850
Postage	30	191	667	-476	29%	2,000
Property appraisal expense	0	0	0	0	0%	0
Property tax expense	12,083	48,333	48,333	0	100%	145,000
Special Events	0	180	667	-487	27%	2,000
Telephone	1,563	6,448	9,400	-2,952	69%	28,200
Training	0	0	3,783	-3,783	0%	11,350
Travel and meetings	-3,770	-236	5,000	-5,236	-5%	15,000
Total Administrative expenses	131,596	598,864	648,683	-49,819	92%	1,946,046

	<u>Apr 23</u>	<u>Jan - Apr 23</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Maintenance expenses						
Airfield maintenance	352	14,621	16,667	-2,046	88%	50,000
Airport Security	0	0	833	-833	0%	2,500
Building maintenance	11,024	74,778	61,667	13,111	121%	185,000
Equipment fuel and repairs	12,979	34,447	26,667	7,780	129%	80,000
Fire Services	0	1,091	10,667	-9,576	10%	32,000
Grounds maintenance	9,575	10,322	7,333	2,989	141%	22,000
Maintenance salaries	32,274	132,948	133,008	-60	100%	399,024
Other maintenance expenses	2,563	6,329	7,333	-1,004	86%	22,000
Snow removal expense	0	413	6,667	-6,254	6%	20,000
Utilities	13,058	94,615	93,333	1,282	101%	280,000
Total Maintenance expenses	81,825	369,564	364,175	5,389	101%	1,092,524
Total Expense	213,421	968,428	1,012,858	-44,430	96%	3,038,570
Net Ordinary Income	66,097	114,059	10,873	103,186	1,049%	32,620
Other Income/Expense						
Other Income						
Capital contributed	0	283,802	833,333	-549,531	34%	2,500,000
Gain on sale of assets	0	0	0	0	0%	0
Interest income						
Interest income on deposits	8,276	28,973	12,000	16,973	241%	36,000
Total Interest income	8,276	28,973	12,000	16,973	241%	36,000
Mill levy income	227,739	914,660	910,957	3,703	100%	2,732,871
Total Other Income	236,015	1,227,435	1,756,290	-528,855	70%	5,268,871
Other Expense						
Debt interest expense net						
Bond issue cost	801	1,381	50,000	-48,619	3%	105,000
Interest Expense on Debt	44,591	178,362	178,362	0	100%	535,086
Total Debt interest expense net	45,392	179,743	228,362	-48,619	79%	640,086
Depreciation expense	250,000	1,000,000	1,000,000	0	100%	3,000,000
Total Other Expense	295,392	1,179,743	1,228,362	-48,619	96%	3,640,086
Net Other Income	-59,377	47,692	527,928	-480,236	9%	1,628,785
Net Income	6,720	161,751	538,801	-377,050	30%	1,661,405

Salina Airport Authority
Profit & Loss Prev Year Comparison
 January through April 2023

8:06 AM
 05/12/2023
 Accrual Basis

	Jan - Apr 23	Jan - Apr 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
Airfield revenue				
Fuel Flowage Fees	53,079	81,083	-28,004	-35%
Hangar rent	330,588	276,980	53,608	19%
Landing fees	8,227	18,305	-10,078	-55%
Ramp rent	25,768	22,840	2,928	13%
Total Airfield revenue	417,662	399,208	18,454	5%
Building and land rent				
Agri land rent	23,667	22,253	1,414	6%
Building rents - Long Term				
Short-term leasing	154,554	151,636	2,918	2%
Building rents - Long Term - Other	353,642	308,396	45,246	15%
Total Building rents - Long Term	508,196	460,032	48,164	10%
Land rent				
Basic Land Rent	47,216	49,821	-2,605	-5%
Property tax - tenant share	36,667	35,809	858	2%
Total Land rent	83,883	85,630	-1,747	-2%
Tank rent	4,880	4,880	0	0%
Total Building and land rent	620,626	572,795	47,831	8%
Other revenue				
Airport Marketing	20,000	0	20,000	100%
Commissions	5,167	7,574	-2,407	-32%
Other income	19,032	32,132	-13,100	-41%
Total Income	1,082,487	1,011,709	70,778	7%
Gross Profit	1,082,487	1,011,709	70,778	7%
Expense				
Administrative expenses				
A/E, consultants, brokers	19,578	3,035	16,543	545%
Airport promotion				
Total Airport promotion	82,528	72,555	9,973	14%
Computer/Network Admin.	14,495	10,736	3,759	35%
Dues and subscriptions	7,491	9,621	-2,130	-22%
Employee retirement	31,503	28,929	2,574	9%
FICA and medicare tax expense	25,040	24,461	579	2%
Industrial development	19,167	19,167	0	0%
Insurance , property	75,417	77,581	-2,164	-3%
Insurance, medical	52,299	65,048	-12,749	-20%
Kansas unemployment tax	246	209	37	18%
Legal and accounting	16,412	8,356	8,056	96%
Office salaries	195,495	184,939	10,556	6%
Office Supplies	1,017	3,596	-2,579	-72%
Other administrative expense				
Merchant Processing Fees	2,089	2,706	-617	-23%
Other administrative expense - Other	1,171	1,405	-234	-17%
Total Other administrative expense	3,260	4,111	-851	-21%
Postage	191	564	-373	-66%
Property tax expense	48,333	48,188	145	0%
Special Events	180	0	180	100%
Telephone	6,448	6,162	286	5%
Training	0	1,000	-1,000	-100%
Travel and meetings	-236	6,814	-7,050	-103%
Total Administrative expenses	598,864	575,072	23,792	4%

	<u>Jan - Apr 23</u>	<u>Jan - Apr 22</u>	<u>\$ Change</u>	<u>% Change</u>
Maintenance expenses				
Airfield maintenance	14,621	17,427	-2,806	-16%
Airport Security	0	43	-43	-100%
Building maintenance	74,778	77,552	-2,774	-4%
Equipment fuel and repairs	34,447	32,050	2,397	7%
Fire Services	1,091	4,518	-3,427	-76%
Grounds maintenance	10,322	8,014	2,308	29%
Maintenance salaries	132,948	137,964	-5,016	-4%
Other maintenance expenses	6,329	4,966	1,363	27%
Snow removal expense	413	8,740	-8,327	-95%
Utilities	94,615	110,664	-16,049	-15%
Total Maintenance expenses	369,564	401,938	-32,374	-8%
Uncategorized Expenses	0	0	0	0%
Total Expense	968,428	977,010	-8,582	-1%
Net Ordinary Income	114,059	34,699	79,360	229%
Other Income/Expense				
Other Income				
Capital contributed				
ARPA Grant No. 45 - Equipment	0	0	0	0%
ARPA Grant No. 45 - Operating	0	75,272	-75,272	-100%
Capital contributed - Other	283,802	25,784	258,018	1,001%
Total Capital contributed	283,802	101,056	182,746	181%
Interest income				
Interest income on deposits	28,973	1,580	27,393	1,734%
Total Interest income	28,973	1,580	27,393	1,734%
Mill levy income	914,660	818,685	95,975	12%
Total Other Income	1,227,435	921,321	306,114	33%
Other Expense				
2021-05-26 Storm Damage Repairs	0	7,107	-7,107	-100%
2021-12-15 Storm Damage Repairs	0	33,084	-33,084	-100%
Debt interest expense net				
Bond issue cost	1,381	426	955	224%
Interest Expense on Debt	178,362	188,177	-9,815	-5%
Total Debt interest expense net	179,743	188,603	-8,860	-5%
Depreciation expense	1,000,000	968,348	31,652	3%
Total Other Expense	1,179,743	1,197,142	-17,399	-1%
Net Other Income	47,692	-275,821	323,513	117%
Net Income	161,751	-241,122	402,873	167%

Salina Airport Authority
Capital Additions Budget vs. Actual
As of April 30, 2023

8:18 AM
05/12/2023
Accrual Basis

	<u>April 23</u>	<u>Jan - Apr 23</u>	<u>Annual Budget</u>	<u>+/- Annual Budget</u>	<u>% of Annual Budget</u>
ASSETS					
Fixed Assets					
Fixed assets at cost					
Airfield					
AIP-42 Rwy 17/35 Rehab		8,947	50,410	-41,463	18%
AIP-47 Fuel Farm-A/E & Bidding		160,736	200,000	-39,264	80%
AIP-48 Rwy 12/30 Rehab Design		0	375,000	-375,000	0%
AIP-49 Fuel Farm Construction	3,133	15,072	8,417,585	-8,402,513	0%
AIP-XX Terminal Parking Lot Reh	6,350	8,100	560,000	-551,900	1%
Airfield Improvements	9,175	14,058	50,000	-35,942	28%
Fuel Farm Construction-Non Fed	7,780	7,780	1,860,000	-1,852,220	0%
GA Hangar Construction		202,032	2,912,809	-2,710,777	7%
Rwys 17/35 - 12/30 LED Lighting		42,601	30,000	12,601	142%
Total Airfield	26,438	459,326	14,455,804	-13,996,478	3%
Buildings & Improvements					
Bldg. 120 Terminal building					
Concourse Imps.		7,200	20,000	-12,800	36%
Total Bldg. 120 Terminal building	0	7,200	20,000	-12,800	36%
Building improvements					
Bldg. 412 Imps.		28,375	25,000	3,375	114%
Bldg. 520 Imps.		708	20,000	-19,292	4%
Bldg. Imps. Other		26,708	75,000	-48,292	36%
Hangar 626 Rehabilitation	36,900	160,099	5,020,000	-4,859,901	3%
Hangar 959 Rehabilitation		58,750	100,000	-41,250	59%
Total Building improvements	36,900	274,640	5,240,000	-4,965,360	5%
FBO Improvements					
Bldg. 700 Imps. Avflight North		0	20,000	-20,000	0%
Hangar 409-1 Imps Avflight So.		0	20,000	-20,000	0%
Total FBO Improvements	0	0	40,000	-40,000	0%
Pumphouse 305	5,069	5,069	15,000	-9,931	34%
Total Buildings & Improvements	41,969	286,909	5,315,000	-5,028,091	5%
Equipment					
Airfield Equipment		0	15,000	-15,000	0%
ARFF equipment		0	25,000	-25,000	0%
Communications equipment		0	20,000	-20,000	0%
Computer equipment		0	15,000	-15,000	0%
Industrial center equipment		0	25,000	-25,000	0%
Office equipment		0	7,500	-7,500	0%
Other Equipment		0	15,000	-15,000	0%
Shop equipment		7,900	15,000	-7,100	53%
Terminal bldg equipment		0	10,000	-10,000	0%
Total Equipment	0	7,900	147,500	-139,600	5%
Land					
Airport Indust. Cent. Imps.		0	15,000	-15,000	0%
Rail Spur Imps.		0	20,000	-20,000	0%
Total Land	0	0	35,000	-35,000	0%
Total Fixed assets at cost	68,407	754,135	19,953,304	-19,199,169	4%

Salina Airport Authority
Significant Capital Expenditures Detail
April 2023

Type	Date	Name	Memo	Amount	Balance
Fixed assets at cost					
Airfield					
AIP-49 Fuel Farm Construction					
Bill	04/13/2023	Independent Fee Estimates, LLC	Independent Fees Estimate - construction administration services	2,900.00	2,900.00
Bill	04/23/2023	GateHouse Media Kansas Holdin...	Invitation to bidders	232.50	3,132.50
Total AIP-49 Fuel Farm Construction				3,132.50	3,132.50
AIP-XX Terminal Parking Lot Reh					
Bill	04/28/2023	Lochner Inc	AIP-48 Terminal Parking Rehab/Expand, Preliminary Phase	6,350.00	6,350.00
Total AIP-XX Terminal Parking Lot Reh				6,350.00	6,350.00
Airfield Improvements					
Bill	04/13/2023	Midwest Concrete Materials, Inc. ...	Concete for terminal ramp - 13 CY	1,937.00	1,937.00
Bill	04/14/2023	Crafco, Inc.	Mastic for terminal ramp repairs	4,788.00	6,725.00
Bill	04/14/2023	Crafco, Inc.	Terminal Ramp Repairs - rental of Patcher II and rental of Wand	2,450.00	9,175.00
Total Airfield Improvements				9,175.00	9,175.00
Fuel Farm Construction-Non Fed					
Bill	04/28/2023	Dellinger Fence Co.	H626 - Relocate fence and gate at 1935 Beechcraft Rd.	7,780.00	7,780.00
Total Fuel Farm Construction-Non Fed				7,780.00	7,780.00
Total Airfield				26,437.50	26,437.50
Buildings & Improvements					
Building improvements					
Hangar 626 Rehabilitation					
Bill	04/03/2023	Hutton Corporation	SAA Hangar 626 Remodel Design Contract	36,900.00	36,900.00
Total Hangar 626 Rehabilitation				36,900.00	36,900.00
Total Building improvements				36,900.00	36,900.00
Pumphouse 305					
Bill	04/24/2023	Double Check Company, Inc.	PH305 overflow alarms - install new switches	5,069.00	5,069.00
Total Pumphouse 305				5,069.00	5,069.00
Total Buildings & Improvements				41,969.00	41,969.00
Total Fixed assets at cost				68,406.50	68,406.50
TOTAL				68,406.50	68,406.50

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05/12/23

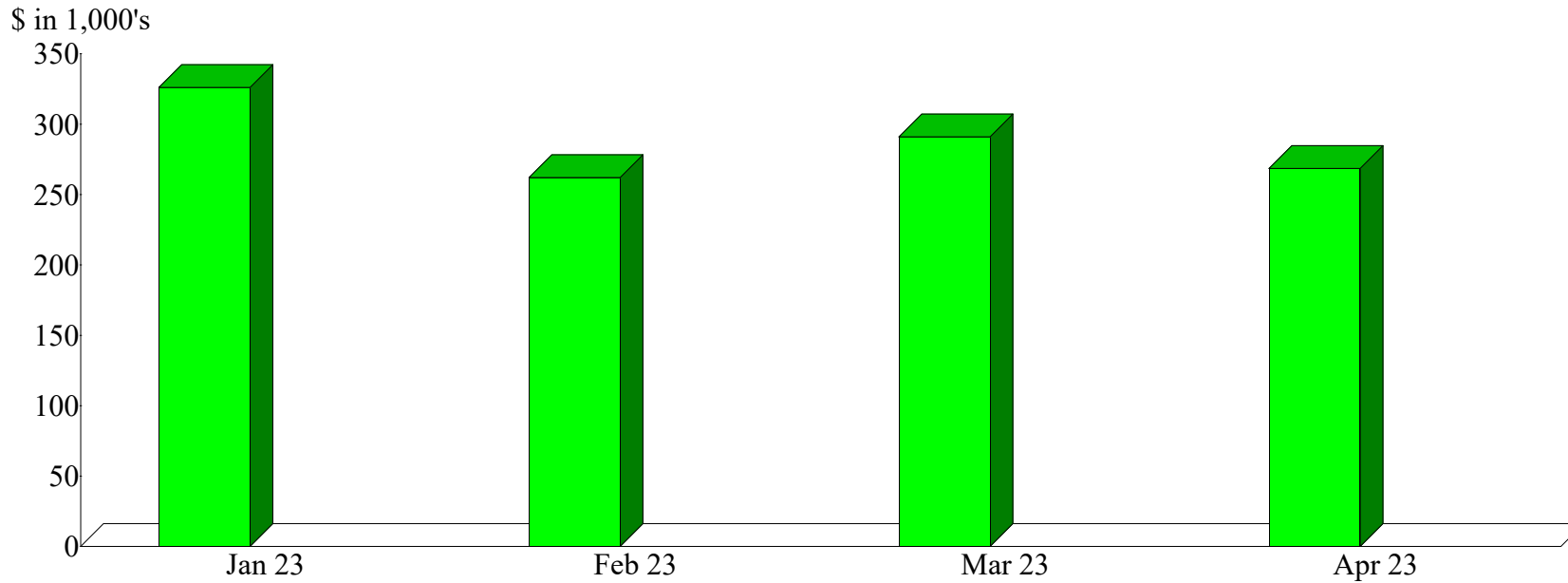
Accrual Basis

Salina Airport Authority
Distributions from the GO Temp Note Project Funds
As of April 30, 2023

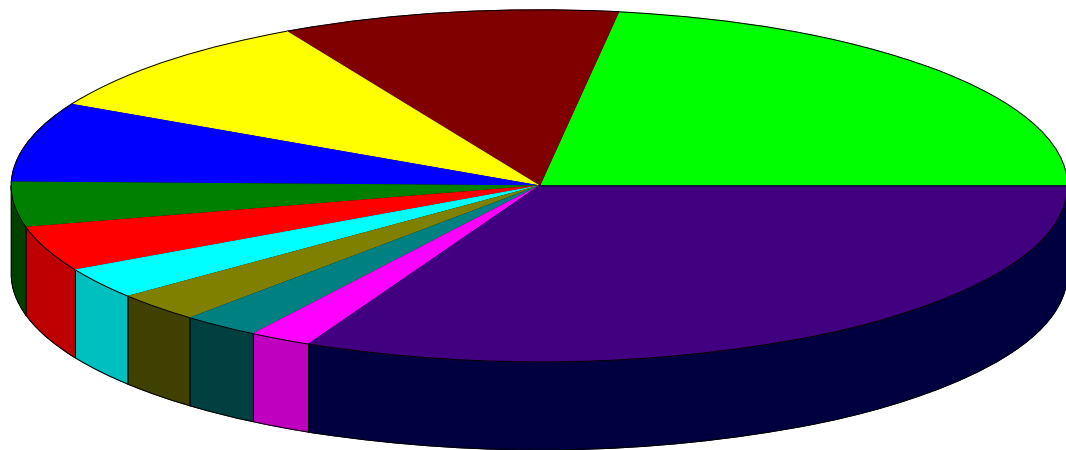
Type	Date	Name	Memo	Debit	Credit	Balance
Cash in Bank-Bond Funds						867,098.69
BSB 2021-1 GO Temp Note (8146)						207,381.75
Bill Pmt -Check	04/13/2023	Helm Electric, LLC	Electrical work - install motion sensor and thermostats in restroom		2,032.00	205,349.75
Deposit	04/30/2023		Interest	33.93		205,383.68
Total BSB 2021-1 GO Temp Note (8146)				33.93	2,032.00	205,383.68
BSB 2022-1 GO Temp Note (9668)						659,716.94
Bill Pmt -Check	04/13/2023	Hutton Corporation	H626 rehabilitation project (MRO) Design fee		36,900.00	622,816.94
Deposit	04/30/2023		Interest	609.62		623,426.56
Total BSB 2022-1 GO Temp Note (9668)				609.62	36,900.00	623,426.56
Total Cash in Bank-Bond Funds				643.55	38,932.00	828,810.24
TOTAL				643.55	38,932.00	828,810.24

Sales by Month
January through April 2023

Dollar Sales



Sales Summary
January through April 2023

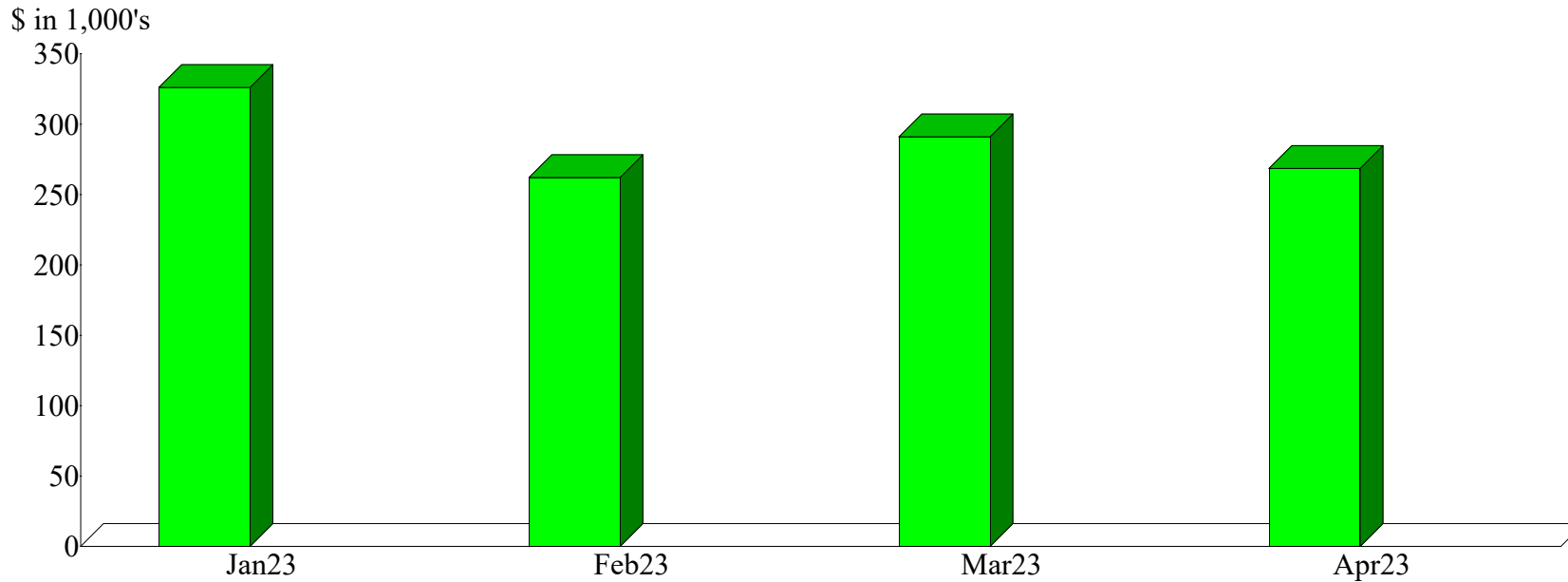


1 Vision Aviation, PLLC	22.74%
Kansas Erosion Products, LLC.	10.46
Avflight Salina	9.43
Stryten Salina, LLC	7.43
SFC Global Supply Chain	4.21
Universal Forest Products (UFP)	4.20
K-State Salina	3.02
SkyWest Airlines, Inc.	2.83
Nellis AFB	2.52
Durham School Service, L.P.	1.93
Other	31.24
Total	\$1,147,797.32

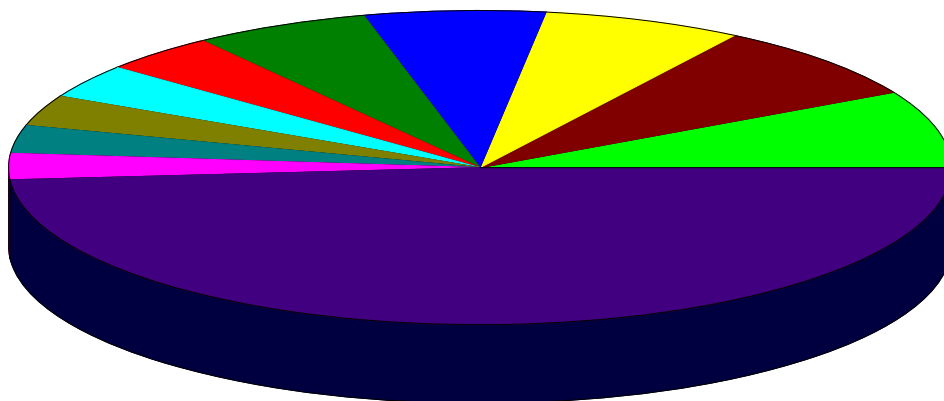
By Customer

Sales by Month
January through April 2023

Dollar Sales



Sales Summary
January through April 2023



H-00959-1 (Hangar Facility H959 - 2044 S	8.10%
H-0606-3 (Hangar 606, 2630 Arnold Court	8.07
B-01021 (Building #1021 located at 3600	6.87
Insurance(CP) (Insurance Reimbursement)	6.25
B-00655-3 (Bldg. #655 (96,611 SF) - 2656	6.12
FFF-Avflight Salina (Fuel Flowage Fee @	4.13
Utility Reimbursement (Utility Reimburse	3.54
B-00620-1 (Building #620 (30,000 SF) an	3.33
H-0600-1 (Hangar 600 - 20,217 sq. ft.)	2.97
B-00626-1 (Manufacturing facility #626 (2.82
Other	47.79
Total	\$1,147,797.32

By Item



The Salina Airport Authority invites applications for

DEPUTY EXECUTIVE DIRECTOR

Salina Regional Airport (SLN)

Salina, Kansas

May 30, 2023





The Salina Regional Airport and Airport Industrial Center

The Salina Airport Authority oversees and maintains the Salina Regional Airport and the Salina Airport Industrial Center.

Salina Regional Airport

The Salina Regional Airport is the only commercial service airport serving Salina/Saline County and the 22-county area comprising North Central Kansas. SkyWest Airlines, operating as United Express serves the Salina Airport with multiple daily flights to and from Denver International Airport and Chicago O'Hare International Airport.

Total air carrier passenger enplanements exceed 20,000 passengers per year. With one of the longest primary runways (12,300') in the country, SLN services a wide variety of the corporate, business, private aviation, military, and flight training needs of the industry, business and individuals in the area.

The airport is also used by Kansas State University and their Salina Aerospace and Technology Campus is located adjacent to the airport. The Airport's world-class FBO, AvFlight Salina, annually delivers aviation fuel to thousands of business jets and military aircraft. Annual air traffic approaches 75,000 operations. SLN is widely known as America's Fuel Stop and as the Home of the Virgin Atlantic Global Flyer. (continued...)





The Salina Regional Airport and Airport Industrial Center (continued)

Salina Airport Authority

The Salina Airport Authority (SAA) is a body corporate and politic. The Authority was created by the City of Salina in April 1965 pursuant to the authority granted to the City by the Surplus Property and Public Airport Authority Act of the State of Kansas. The Authority was created for the purpose of accepting as surplus property portions of the former Schilling A.F.B which was closed by the US Department of Defense in June 1965. By quitclaim deed the Authority received over 2,900 acres of land and numerous buildings for the purpose of operating and developing the Salina Regional Airport and the Salina Airport Industrial Center. The Authority is managed and controlled by a five-member Board of Directors appointed by the Salina City Commission.



Salina Airport Industrial Center

The Salina Airport Industrial Center is home for over one hundred and thirty businesses and organizations. Over Seventy-five of the businesses and organizations are tenants of the Authority. One of the primary functions of the Authority is to facilitate the continued growth of jobs and payroll at the Airport Industrial Center.



The Authority works in partnership with the City of Salina, Saline County, Salina Community Economic Development Organization, the Salina Area Chamber of Commerce, and the Kansas Department of Commerce for the retention of existing business and industry and the recruitment of new business and industry.



A recent study by the Docking Institute found that total employment associated with the Salina Regional Airport and Airport Industrial Center activity generated 7,005 jobs and account for nearly \$1.3 billion in total economic activity. Additional information can be found online at <https://www.salinaairport.com/media/36624/saa-2021-report-v6-51121.pdf>.



The Region & Community



TURNING **WHAT IF**
INTO **WHAT IS**

Imagine Yourself Here

Salina is a progressive community with an estimated population of around 48,000. Located at the crossroads of I-70 and I-135 in north central Kansas, Salina has all of the industry, amenities, and opportunities of a thriving metropolis. We are a small town that serves as a regional hub for state-of-art medical services, retail trade, and a robust arts and entertainment environment. Whether you're seeking wide open spaces, or a vibrant urban lifestyle, Salina has something to offer everyone.

Salina is also an exceptional place to raise a family, start a career, or continue your educational journey. With high performing public and private schools, an affordable cost of living, and multitude of housing options, Salina makes it easy to create the life of your wildest dreams. Our community is also home to over 1,000 acres in public parks and green spaces, a dynamic and active downtown, and diverse opportunities to both patronize and participate in the performing and visual arts.

Salina is turning creative ideas into innovative realities. We invite you to be a part of it all, and **imagine yourself here!**

COST OF LIVING
16.7%
LOWER
THAN U.S. AVG

**BEST PLACE TO
RAISE YOUR KIDS
IN KANSAS**
BUSINESSWEEK MAGAZINE (2010)

AVERAGE COMMUTE TIME
14
MINUTES



WHERE TO PLAY

Enjoy the Activities

Salina has all the charm of a small Kansas town, and all the arts, entertainment and culture of a larger metropolitan city. Plan a number of outings, all year long, for yourself and your family. For more info, visit www.salinakansas.org/visitsalina.

- Explore **Rolling Hills Zoo** with an interactive trip around the world; enjoying wildlife, tram rides, keeper encounters, and the **Overlook Restaurant**. Be sure to catch the **Art Gone Wild Gallery Show**, held every year from October through January.
- Bring the whole family to check out the vibrant and eclectic art galleries at the **Salina Art Center**, or participate in the many art education opportunities for all ages. Take advantage of all the different opportunities to enjoy independent films at the renowned **Salina Art Center Cinema**.
- Participate in the monthly **First Friday** programming throughout the community. From live music, to gallery shows, to films, to live theatre—there is always a number of options to spend the evening out with family or friends!
- Play a round of golf at the highly ranked **Salina Municipal Golf Course**, or enjoy the amenities of the **Salina Country Club** or **Great Life Golf & Fitness** courses.
- Catch a live show at the historic **Stiefel Theatre for the Performing Arts**, host to a variety of popular musicians, comedians and other performers from around the country. Sit on the patio of **Martinelli's Little Italy** restaurant for dinner, or catch a night cap after the show at **YaYa's Euro Bistro**. Interested in a bigger live show? There's no end to the performances and events at **Tony's Pizza Events Center**.
- Spend a day shopping in **Downtown Salina**, home to a wide variety of retail shops, dining establishments, salons & spas, professional services, entertainment venues, and antiques stores. With wide sidewalks, crosswalks, benches, and **KANcycle Salina** transportation options, the district is perfect for walking and biking.
- Enjoy over 12 public parks that include fishing access, picnic shelters, dog park, tennis & basketball courts, sand volleyball, stages & gazebos, baseball/softball & soccer fields, nature trails, and more. Keep cool in the summer at **Kenwood Cove** with hours of aquatic slides and activity.
- Take in a local live show at the renowned **Salina Community Theatre**, or enjoy the best of the symphony with performances by the **Salina Symphony** and **Salina Youth Symphony**. Or take the stage yourself by getting involved as a performer!
- Partake in a number of different events for the sports enthusiast. Either catch a match or game from one of our three semi-pro sports teams: **Salina Liberty Arena Football**, **Salina Sirens Roller Derby**, or **Salina Saints WBCL Basketball**, or attend a wide variety of sporting events with **Kansas Wesleyan University**. Check out sports tournaments that are in town all year long, or participate in events and activities available at the **Salina Fieldhouse**.
- Find fun with the whole family with a day visit to the **Smoky Hill Museum**. Grab dinner at the world-famous **Cozy Inn** in downtown Salina, and then head to **The Alley** for a night of bowling, lasertag, and Hologate VR gaming.
- Support the best of our local flavor and arts scene, with stops at **Blue Skye Brewery** and **Ad Astra Books & Coffeehouse** while participating in **SculptureTour Salina**.
- Experience all the sights and sounds of an outdoor festival with several of our annual events, including the **Smoky Hill River Festival** and the **Kustom Kemps of America Car Show**.
- Prepare to enjoy the upcoming **Smoky Hill River Renewal Project**, slated to begin in 2021, which will bring further miles of hiking and biking trails throughout Salina, opportunities for kayaking and paddle-boarding, and a bustling downtown river walk for outdoor dining and entertainment.



WHERE TO **LEARN**

Experience Top Education

Education is important to the community, and that commitment is experienced from early childhood through post-secondary programs. Salina offers quality public and private school options, with all educational offerings ranking high in performance as well as student experience. Create the best educational blueprint for both you and your family.

- Strong early childhood programming including **Parents As Teachers, Early Head Start & Head Start**
- Consistently strong performance across the state in both athletic and academic competitions
- Salina is home to five different local post-secondary schools



POST SECONDARY
98-99%
PLACEMENT RATE
AFTER GRADUATION

HIGH SCHOOLS RANK
TOP 12%
COLLEGE READINESS &
STATE ASSESSMENT
US NEWS & WORLD REPORT (2020)

BEST PLACE TO
**RAISE YOUR KIDS
IN KANSAS**
BUSINESSWEEK MAGAZINE (2015)

EARLY CHILDHOOD (0-5 YRS OLD)

Childcare Aware® of Kansas ks.childcareaware.org
Heartland Preschool Education 305heartland.com

K-12 PUBLIC SCHOOLS

USD 305- Salina usd305.com
USD 306- Southeast of Salina usd306.k12.ks.us
USD 307- Ell-Salina ellsalina.org

K-12 PRIVATE SCHOOLS

St. Mary's Elementary School stmarysalina.org
Sacred Heart Jr.-Sr. High sacredheartknights.org
Cornerstone Classical School cornerstonesalina.com

POST SECONDARY

Kansas Wesleyan University kwu.edu
Kansas State University polytechnic.k-state.edu
Polytechnic Campus
Salina Area Technical College salinatech.edu
KU School of Medicine- Salina kumc.edu/school-of-medicine/salina
KU School of Nursing-Salina nursing.kumc.edu/salina

WHERE TO **WORK**

Energize Your Career

Whether you're seeking to find work in one of many growing industries in Salina, or interested in starting your own company or business, Salina has so much to offer in terms of resources, support, and jobs to assist individuals and families.

- Growing advancements in manufacturing and healthcare industries, as well as wide range of opportunities in education
- Local incentives from individual employers that might include paid training, flexible schedules, accessible childcare, and sign-on bonuses

800 JOBS
OVER THE NEXT 5 YEARS

AVERAGE COMMUTE TIME
14 MINUTES

Upload your resumé on the Imagine Salina website at:
imaginesalina.com/where-to/work

WORKFORCE RESOURCES AND INFORMATION

Kansas Works kansasworks.com
KS Job Links radioworksjoblinks.com
Indeed.com indeed.com

STARTUP AND NETWORKING RESOURCES

StartUp Salina salinaedo.org
Project Open projectopensalina.com
Salina Area Young Professionals salinakansasyp.com

ImagineSalina.com



WHERE TO LIVE

Design Your New Home

Whether you choose wide open spaces on a plot of rural land, the friendly charm of a vibrant community neighborhood, new construction within one of our beautiful and sprawling developments, or the ease of life in a downtown loft, Salina has every housing option you could possibly desire. Check out the possibilities of where you can call home.



MEDIAN HOME COST
\$122,400

KIPLINGER'S
**MOST AFFORDABLE
PLACES TO LIVE**

(2020)

Check out our **Welcome to Salina** brochure for a full list of local realtors and housing resources.

LOOKING TO BUY
salinaopenhouse.com

BUILDING A NEW HOME
salinahba.com

SEEKING RENTAL HOME
OR APARTMENT
apartments.com

ImagineSalina.com

The Position

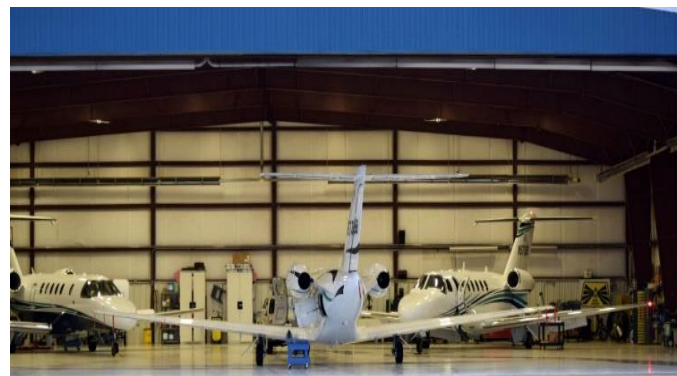
The deputy executive director reports to the executive director under whose supervision, personally and through subordinate supervisors, directs administrative, operational, and maintenance functions to ensure a safe, efficient, legal, and profitable airport and industrial center operation. This includes overseeing and managing the development and construction phases on projects including both pavement & facilities at the Salina Regional Airport and Salina Airport Industrial Center. In this capacity, the deputy executive director will develop and maintain effective working relationships with tenants, co-workers, the public, contractors, and regulatory agencies. The position will work closely with the director of administration and finance, director of facilities and construction, and the manager of operations.

Responsibilities

– Salina Regional Airport and Airport Industrial Center

- Represent the executive director in the daily operations, business, and development of the Airport.
- Assist in promoting and developing commercial air service.
- Represent the executive director in the management of the former Schilling Air Force Base environmental cleanup project.
- Represent the Airport at meetings, workshops, and seminars with federal, state, and local agencies.
- Research federal, state, and local grant funding sources
- Analyze operations to evaluate performance and to determine areas of potential cost reduction, program improvement, or policy change.
- Negotiate contracts and major purchases of equipment, real estate, and, services.
- Ensure the safety and security of staff, customers, tenants, equipment, and facilities.
- Recruit, hire, supervise, train, mentor, and discipline subordinate employees.
- Manage programs, planning and projects, including financial planning, budgeting, and execution.
- Assist the executive director in leading the airport initiatives, strategic plans, policies, and procedures.
- Perform with a high degree of independent judgment, discretion, and confidentiality.

For a complete job description, [click here](#).



Position Qualifications

The SAA is seeking an individual with the following education, training, skill set, and experience when evaluating candidates.

Minimum Qualifications Required:

1. Bachelor's degree from an accredited college or university with major coursework in airport management, public administration, business management, or related field.
2. 5 years progressively responsible airport leadership experience at a commercial service airport and practices of public administration.
3. Considerable knowledge of Airport Finance, Operations, Planning and Development, Commercial Air Service, FAA regulations and procedures.
4. Ability to communicate information and ideas in writing and through oral expression so others will understand.
5. Must be self-motivated and possess the ability to work with a great deal of autonomy.
6. Proficiency in public speaking to governing bodies, community leaders and groups.
7. Knowledge and/or ability to use Windows based personal computers using program applications such as Microsoft Word, Access, Excel, PowerPoint, Outlook, SharePoint, and OneNote.

Preferred Qualifications:

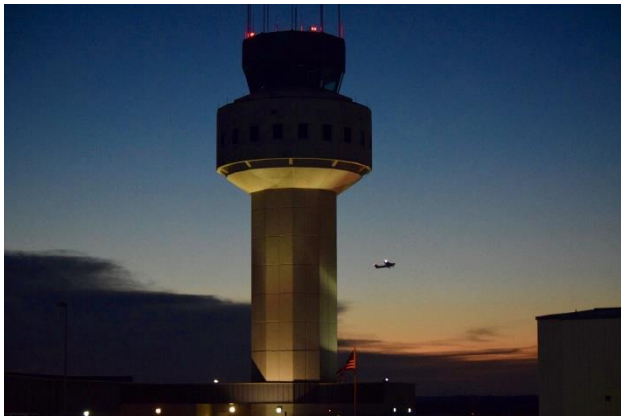
1. American Association of Airports CM or AAE accreditation preferred.
2. 10+ years progressively responsible airport leadership experience at a commercial service airport and practices of public administration.
3. FAA certifications such as Pilot Certificates and/or Airframe & Powerplant Certificates

Salary & Compensation

The position offers a competitive salary (\$95,000-\$110,00 DOQ) and benefits package including 100% paid health and dental insurance, employer paid life insurance, paid vacation, holidays and sick time, relocation assistance, Kansas Public Retirement System pension program, health club wellness allowance, and employee funded pre-tax programs including IRS-457 deferred compensation, Cafeteria/Flex Plans and AFLAC.

How to Apply: Email resume and cover letter to wings@salair.org

Application Closing Date: June 30, 2023



Salina Regional
SLN Airport

SALINA Airport
Authority

RESOLUTION NO. 23-07

OF

THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

ADOPTED

MAY 17, 2023

**TAXABLE GENERAL OBLIGATION BONDS
SERIES 2023-A**

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RESOLUTION NO. 23-07

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2023-A, OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the Salina Airport Authority (Salina, Kansas) (the “Issuer”) is a legally constituted public airport authority, duly created, organized and existing under the Constitution and laws of the State, including specifically K.S.A 27-315 to 27-236 *et seq.*; and

WHEREAS, Issuer has previously authorized certain internal improvements described as follows (collectively the “Improvements”):

<u>Project Description</u>	<u>Res. No.</u>	<u>Amount</u>
Land Acquisition	20-04	\$2,200,000
General Aviation Hangar, Air Terminal Concourse and Building 595 Projects	21-08	3,500,000
Hangar 626 MRO Project & Aircraft Apron, Taxi & Parking Facilities	22-02	4,350,000
Aviation Fuel Facility, additional improvements to General Aviation Hangar, Hangar 626 MRO Projects	23-04	10,235,000
Total:		\$20,285,000

WHEREAS, the Issuer desires to issue its general obligation bonds in order to permanently finance a portion of the costs of such Improvements and to retire the following temporary notes of the Issuer, which were issued to temporarily finance a portion of the costs of the Improvements (the “Refunded Notes”):

<u>Series</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Redemption Amount</u>	<u>Redemption Date</u>
2022-1	07/07/2022	07/01/2023	1,000,000	1,000,000	06/08/2023

WHEREAS, the governing body of the Issuer is authorized by law to issue the general obligation bonds to pay a portion of the costs of the Improvements; and

WHEREAS, the governing body of the Issuer has advertised the sale of the Bonds in accordance with the law and at a meeting held on this date, awarded the sale of such Bonds to the lowest bidder; and

WHEREAS, the governing body of the Issuer hereby finds and determines that it is necessary for the Issuer to authorize the issuance and delivery of the Bonds in the principal amount of \$1,000,000* to pay a portion of the costs of the Improvements, including retiring the Refunded Notes, and pay Costs of Issuance.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS), AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, and K.S.A. 27-315 to 27-326, inclusive, all as amended and supplemented from time to time.

“Authority” means the Salina Airport Authority (Salina, Kansas).

“Authorized Denomination” means \$5,000 or any integral multiples thereof.

“Beneficial Owner” of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

“Board Clerk” means the duly appointed and/or elected Clerk or, in the Clerk's absence, the duly appointed Deputy Board Clerk or Acting Board Clerk of the Authority.

“Bond and Interest Fund” means the Bond and Interest Fund of the Issuer for its general obligation bonds.

“Bond Counsel” means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

“Bond Payment Date” means any date on which principal of or interest on any Bond is payable.

“Bond Register” means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

“Bond Registrar” means the State Treasurer and any successors and assigns.

“Bond Resolution” means this resolution relating to the Bonds.

“Bonds” or **“Bond”** means the Taxable General Obligation Bonds, Series 2023-A, authorized and issued by the Issuer pursuant to this Bond Resolution.

“Business Day” means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“Cede & Co.” means Cede & Co., as nominee of DTC and any successor nominee of DTC.

“Chair” means the duly elected and acting Chair, or in the Chair's absence, the duly appointed and/or elected Vice Chair or Acting Chair of the Issuer.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

“Costs of Issuance” means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

“Costs of Issuance Account” means the Costs of Issuance Account for Taxable General Obligation Bonds, Series 2023-A created pursuant to *Section 501* hereof.

“Dated Date” means June 7, 2023.

“Debt Service Account” means the Debt Service Account for Taxable General Obligation Bonds, Series 2023-A created within the Bond and Interest Fund pursuant to *Section 501* hereof.

“Debt Service Requirements” means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

“Defaulted Interest” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“Defeasance Obligations” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“Derivative” means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

“Disclosure Undertaking” means the Continuing Disclosure Undertaking, dated as of the Dated Date, relating to certain obligations contained in the SEC Rule.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

“DTC Representation Letter” means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

“Event of Default” means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution (other than the covenants relating to continuing disclosure requirements contained herein and in the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

“Fiscal Year” means the twelve month period ending on December 31.

“Funds and Accounts” means funds and accounts created pursuant to or referred to in *Section 501* hereof.

“Governing Body” means the board of directors of the Issuer.

“Improvements” means the improvements referred to in the preamble to this Bond Resolution and any Substitute Improvements.

“Independent Accountant” means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

“Interest Payment Date(s)” means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2024.

“Issue Date” means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

“Issuer” means the Authority and any successors or assigns.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

“Moody's” means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“Notice Address” means with respect to the following entities:

(a) To the Issuer at:

3237 Arnold Avenue
Salina, Kansas 67401
Fax: (785) 827-2221

(b) To the Paying Agent at:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235
Fax: (785) 296-6976

(c) To the Purchaser:

[Purchaser]
[Purchaser Address]
[Purchaser City, State] [Zip]
Fax: [Purchaser Fax]

(d) To the Rating Agency(ies):

Moody's Municipal Rating Desk

7 World Trade Center
250 Greenwich Street, 23rd Floor
New York, New York 10007

S&P Global Ratings, a division of S&P Global Inc.
55 Water Street, 38th Floor
New York, New York 10004

or such other address as is furnished in writing to the other parties referenced herein.

“Notice Representative” means:

- (a) With respect to the Issuer, the Board Clerk.
- (b) With respect to the Bond Registrar and Paying Agent, the Director of Fiscal Services.
- (c) With respect to any Purchaser, the manager of its Municipal Bond Department.
- (d) With respect to any Rating Agency, any Vice President thereof.

“Official Statement” means Issuer’s Official Statement relating to the Bonds.

“Outstanding” means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of this Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means the State Treasurer and any successors and assigns.

“Permitted Investments” shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities

described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

“Person” means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Purchase Price” means the principal amount of the Bonds plus accrued interest to the date of delivery[, plus a premium of \$[_____]],[, less an underwriting discount of \$[_____]],[, less an original issue discount of \$[_____]].

“Purchaser” means [Purchaser], [Purchaser City, State], the original purchaser of the Bonds, and any successor and assigns.

“Rating Agency” means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

“Record Dates” for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Redemption Date” means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

“Redemption Fund” means the Redemption Fund for Refunded Notes created pursuant to *Section 501* hereof.

“Redemption Price” means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Refunded Notes” means the Series 2022-1 Notes maturing in the years 2023 in the aggregate principal amount of \$1,000,000.

“Refunded Notes Paying Agent” means the paying agent for the Refunded Notes as designated in the Refunded Notes Resolution, and any successor or successors at the time acting as paying agent of the Refunded Notes.

“Refunded Notes Redemption Date” means June 8, 2023.

“Refunded Notes Resolution” means the resolution which authorized the Refunded Notes.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Bonds in accordance with *Section 213* hereof.

“SEC Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

“Securities Depository” means, initially, DTC, and its successors and assigns.

“Series 2022-1 Notes” means the Issuer's Taxable General Obligation Temporary Notes, Series 2022-1, dated July 7, 2022.

“Special Record Date” means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

“Standard & Poor's” or “S&P” means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“State” means the state of Kansas.

“State Treasurer” means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“Substitute Improvements” means the substitute or additional improvements of the Issuer described in *Article V* hereof.

“Treasurer” means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

“United States Government Obligations” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the Taxable General Obligation Bonds, Series 2023-A, of the Issuer in the principal amount of \$1,000,000*, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements, including retiring the Refunded Notes; and (b) pay Costs of Issuance.

Section 202. Description of the Bonds. The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in *Article III* hereof, and shall bear interest at the rates per annum as follows:

<u>Stated Maturity</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
September 1 2032	\$1,000,000*	_____ %

The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in *Section 204* hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as *EXHIBIT A* or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Chair of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 206. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of 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, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this *Article II*.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual, electronic or facsimile signature of the Chair, attested by the manual, electronic or facsimile signature of the Board Clerk, and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Chair and Board Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Board Clerk, which registration shall be evidenced by the manual, electronic or facsimile signature of the Board Clerk with the seal of the Issuer affixed thereto or imprinted thereon, and registered in the office of the Clerk of Saline County, Kansas, which registration shall be evidenced by the manual, electronic or facsimile signature of the Clerk of Saline County, Kansas with the seal of Saline County, Kansas affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual, electronic or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Chair and Board Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as *EXHIBIT A* hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

Section 208. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

Section 209. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Book-Entry Bonds; Securities Depository. The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in an Authorized Denominations and form as provided herein.

Section 211. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part

under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 212. Preliminary and Final Official Statement. The Preliminary Official Statement relating to the Bonds is hereby ratified and approved. For the purpose of enabling the Purchaser to comply with the requirements of Section (b)(1) of the SEC 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 Section (b)(1) of the SEC Rule, and the appropriate officers of the Issuer are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to 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 SEC Rule.

The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Chair and Board Clerk are hereby authorized to execute the Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the Issue Date.

The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of the SEC Rule and Rule G-32 of the Municipal Securities Rulemaking Board.

Section 213. Sale of the Bonds. The sale of the Bonds to the Purchaser is hereby ratified and confirmed. The Chair and Board Clerk are hereby authorized to execute the official bid form submitted by the Purchaser. Delivery of the Bonds shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Bond Resolution), upon payment of the Purchase Price.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 20[___], and thereafter, will be subject to redemption and payment prior to their Stated Maturity on September 1, 20[___], and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

Section 302. Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated

Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption.

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and
- (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. Further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange

Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.]***

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for the Bonds. The Bonds shall be general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 402. Levy and Collection of Annual Tax; Transfer to Debt Service Account. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS

DEPOSIT AND APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Redemption Fund.
- (b) Debt Service Account for Taxable General Obligation Bonds, Series 2023-A (within the Bond and Interest Fund).
- (c) Costs of Issuance Account for Taxable General Obligation Bonds, Series 2023-A.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

Section 502. Deposit of Bond Proceeds and Other Moneys. The net proceeds received from the sale of the Bonds and certain other funds shall be deposited simultaneously with the delivery of the Bonds as follows:

(a) Excess proceeds, if any, received from the sale of the Bonds shall be deposited in the Debt Service Account.

(b) An amount necessary to pay the Costs of Issuance shall be deposited in the Costs of Issuance Account.

(c) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited into the Redemption Fund.

(d) In addition to proceeds of the Bonds, the Issuer will use available funds to provide for payment of the Refunded Notes.\

Section 503. Substitution of Improvements; Reallocation of Proceeds.

(a) The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Bonds provided the following conditions are met: (1) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the Governing Body in accordance with the laws of the State; (2) a resolution authorizing the use of the proceeds of the Bonds to pay the financeable costs of the Substitute Improvement has been duly adopted by the Governing Body pursuant to this Section, (3) the Attorney General of the State has approved the amendment made by such resolution to the transcript of proceedings for the Bonds to include the Substitute Improvements; and (4) the use of the proceeds of the Bonds to pay the financeable cost of the Substitute Improvement will not adversely affect the tax-exempt status of the Bonds under State law.

(b) The Issuer may reallocate expenditure of Bond proceeds among all Improvements financed by the Bonds; provided the following conditions are met: (1) the reallocation is approved by the Governing Body; (2) the reallocation shall not cause the proceeds of the Bonds allocated to any Improvement to exceed the financeable costs of the Improvement; and (3) the reallocation will not adversely affect the tax-exempt status of the Bonds under State law.

Section 504. Application of Moneys in the Redemption Fund. Moneys in the Redemption Fund shall be paid and transferred to the Refunded Notes Paying Agent, with irrevocable instructions to apply such amount to the payment of the Refunded Notes on the Refunded Notes Redemption Date. Any moneys remaining in the Redemption Fund not needed to retire the Refunded Notes shall be transferred to the Debt Service Account.

Section 505. Application of Moneys in Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and

Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

Section 506. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the Issuer; or (b) if no such entity has a main or branch office located in the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account other than the Redemption Fund may be invested in accordance with this Bond Resolution in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account.

Section 507. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Debt Service Account.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Remedies. The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall, subject to any determination in such action or proceeding or applicable law of the State, be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has

been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with *Article III* hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

ARTICLE VIII

CONTINUING DISCLOSURE REQUIREMENTS

Section 801. Disclosure Requirements. The Issuer hereby covenants with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking, the provisions of which are incorporated herein by reference. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Section 802. Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its covenants contained in the preceding section, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in the preceding section or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section. Notwithstanding any other provision of this Bond Resolution, failure of the Issuer to comply with its covenants contained in the preceding section shall not be considered an Event of Default under this Bond Resolution.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 901. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Board Clerk. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the Governing Body shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

Section 902. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Board Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the Governing Body at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to provide for Substitute Improvements, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the Governing Body amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Board Clerk, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Bond Resolution will be sent by the Board Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Board Clerk a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

Section 903. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person

or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 904. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Section 905. Electronic Transactions. The transactions described in this Bond Resolution may be conducted, and documents related to the Bonds may be sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 906. Further Authority. The officers and officials of the Issuer, including the Chair and Board Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 907. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 908. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 909. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

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ADOPTED by the Board of Directors on May 17, 2023.

(SEAL)

Chair

ATTEST:

Board Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Bond Resolution of the Issuer adopted by the Governing Body on May 17, 2023, as the same appears of record in my office.

DATED: May 17, 2023.

Board Clerk

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**EXHIBIT A
(FORM OF BONDS)**

**REGISTERED
NUMBER __**

**REGISTERED
\$**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF SALINE
SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
TAXABLE GENERAL OBLIGATION BONDS BOND
SERIES 2023-A**

**Interest
Rate:**

**Maturity
Date:**

**Dated
Date: June 7, 2023**

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the Salina Airport Authority (Salina, Kansas), in the County of Saline, State of Kansas (the “Issuer”), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2024 (the “Interest Payment Dates”), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other

address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

Authorization of Bonds. This Bond is one of an authorized series of Bonds of the Issuer designated “Taxable General Obligation Bonds, Series 2023-A,” aggregating the principal amount of \$1,000,000* (the “Bonds”) issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Bonds [and the Resolution of the Issuer prescribing the form and details of the Bonds (the “Bond Resolution”). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 27-315 to 27-326, inclusive, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Bonds constitute general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Redemption Prior to Maturity. The Bonds are subject to redemption prior to maturity as set forth in the Bond Resolution.

Book-Entry System. The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Bond Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made

in accordance with existing arrangements among the Issuer, the Bond Registrar and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE BOND RESOLUTION, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual, electronic or facsimile signature of its Chair and attested by the manual, electronic or facsimile signature of its Board Clerk, and its seal to be affixed hereto or imprinted hereon.

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)**

(Facsimile Seal)

By: _____ (facsimile)
Chair

ATTEST:

By: _____ (facsimile)
Board Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of a series of Taxable General Obligation Bonds, Series 2023-A, of the Salina Airport Authority (Salina, Kansas), described in the within-mentioned Bond Resolution.

Registration Date: _____

Office of the State Treasurer,
Topeka, Kansas,
as Bond Registrar and Paying Agent

By _____

Registration Number: _____

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

GILMORE & BELL, P.C.
Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$ _____, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint _____ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____

Name

Social Security or
Taxpayer Identification No.

Signature (Sign here exactly as name(s)
appear on the face of Certificate)

Signature guarantee:

By _____

CERTIFICATE OF BOARD CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, Board Clerk of the Salina Airport Authority (Salina, Kansas), does hereby certify that the within Bond has been duly registered in my office according to law as of June 7, 2023.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____
 (facsimile)
 Board Clerk

CERTIFICATE OF COUNTY CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, County Clerk of Saline County, Kansas, does hereby certify that the within Bond has been duly registered in my office according to law as of June 7, 2023.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____
 (facsimile)
 County Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

STEVEN JOHNSON, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in the office of the State Treasurer, and that this Bond was registered in such office according to law on _____.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
Treasurer of the State of Kansas

RESOLUTION NO. 23-08

OF

THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

ADOPTED

MAY 17, 2023

**GENERAL OBLIGATION BONDS
SERIES 2023-B (SUBJECT TO AMT)**

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RESOLUTION NO. 23-08

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES 2023-B (SUBJECT TO AMT), OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the Salina Airport Authority (Salina, Kansas) (the “Issuer”) is a legally constituted public airport authority, duly created, organized and existing under the Constitution and laws of the State, including specifically K.S.A 27-315 to 27-236 *et seq.*; and

WHEREAS, Issuer has previously authorized certain internal improvements described as follows (collectively the “Improvements”):

<u>Project Description</u>	<u>Res. No.</u>	<u>Amount</u>
General Aviation Hangar, Air Terminal Concourse and Building 595 Projects	21-08	\$3,500,000
Hangar 626 MRO Project & Aircraft Apron, Taxi & Parking Facilities	22-02	4,350,000
Aviation Fuel Facility, additional improvements to General Aviation Hangar, Hangar 626 MRO Projects	23-04	10,235,000
Total:		<i>\$18,085,000</i>

WHEREAS, the Issuer desires to issue its general obligation bonds in order to permanently finance a portion of the costs of such Improvements and to retire the following temporary notes of the Issuer, which were issued to temporarily finance a portion of the costs of the Improvements (the “Refunded Notes”):

<u>Series</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Redemption Amount</u>	<u>Redemption Date</u>
2021-1	11/10/2021	09/01/2023	\$3,545,000	\$3,545,000	06/08/2023

WHEREAS, the governing body of the Issuer is authorized by law to issue the general obligation bonds to pay a portion of the costs of the Improvements; and

WHEREAS, the governing body of the Issuer has advertised the sale of the Bonds in accordance with the law and at a meeting held on this date, awarded the sale of such Bonds to the lowest bidder; and

WHEREAS, the governing body of the Issuer hereby finds and determines that it is necessary for the Issuer to authorize the issuance and delivery of the Bonds in the principal amount of \$8,870,000* to pay a portion of the costs of the Improvements, including retiring the Refunded Notes, and pay Costs of Issuance.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS), AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq.*, and K.S.A. 27-315 to 27-326, inclusive, all as amended and supplemented from time to time.

“Authority” means the Salina Airport Authority (Salina, Kansas).

“Authorized Denomination” means \$5,000 or any integral multiples thereof.

“Beneficial Owner” of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

“Board Clerk” means the duly appointed and/or elected Board Clerk or, in the Board Clerk's absence, the duly appointed Deputy Board Clerk or Acting Board Clerk of the Issuer.

“Bond and Interest Fund” means the Bond and Interest Fund of the Issuer for its general obligation bonds.

“Bond Counsel” means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

“Bond Payment Date” means any date on which principal of or interest on any Bond is payable.

“Bond Register” means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

“Bond Registrar” means the State Treasurer and any successors and assigns.

“Bond Resolution” means this resolution relating to the Bonds.

“Bonds” or **“Bond”** means the General Obligation Bonds, Series 2023-B (Subject to AMT), authorized and issued by the Issuer pursuant to this Bond Resolution.

“Business Day” means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“**Cede & Co.**” means Cede & Co., as nominee of DTC and any successor nominee of DTC.

“**Chair**” means the duly elected and acting Chair, or in the Chair's absence, the duly appointed and/or elected Vice Chair or Acting Chair of the Issuer.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

“**Compliance Account**” means the Compliance Account created pursuant to *Section 501* hereof.

“**Consulting Engineer**” means an independent engineer or engineering firm, or architect or architectural firm, having a favorable reputation for skill and experience in the construction, financing and operation of public facilities, at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Consulting Engineer by this Bond Resolution.

“**Costs of Issuance**” means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

“**Costs of Issuance Account**” means the Costs of Issuance Account for General Obligation Bonds, Series 2023-B (Subject to AMT) created pursuant to *Section 501* hereof.

“**Dated Date**” means June 7, 2023.

“**Debt Service Account**” means the Debt Service Account for General Obligation Bonds, Series 2023-B (Subject to AMT) created within the Bond and Interest Fund pursuant to *Section 501* hereof.

“**Debt Service Requirements**” means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

“**Defaulted Interest**” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“**Defeasance Obligations**” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and

redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“Derivative” means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

“Disclosure Undertaking” means the Continuing Disclosure Undertaking, dated as of the Dated Date, relating to certain obligations contained in the SEC Rule.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

“DTC Representation Letter” means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

“Event of Default” means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution (other than the covenants relating to continuing disclosure requirements contained herein and in the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

“Federal Tax Certificate” means the Issuer's Federal Tax Certificate, dated as of the Issue Date, as the same may be amended or supplemented in accordance with the provisions thereof.

“Financeable Costs” means the amount of expenditure for an Improvement which has been duly authorized by action of the Governing Body to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

“Fiscal Year” means the twelve month period ending on December 31.

“Funds and Accounts” means funds and accounts created pursuant to or referred to in *Section 501* hereof.

“Governing Body” means the board of directors of the Issuer.

“Improvement Fund” means the Improvement Fund for General Obligation Bonds, Series 2023-B (Subject to AMT) created pursuant to *Section 501* hereof.

“Improvements” means the improvements referred to in the preamble to this Bond Resolution and any Substitute Improvements.

“Independent Accountant” means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

“Interest Payment Date(s)” means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2024.

“Issue Date” means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

“Issuer” means the Authority and any successors or assigns.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

“Moody's” means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“Notice Address” means with respect to the following entities:

(a) To the Issuer at:

3237 Arnold Avenue
Salina, Kansas 67401
Fax: (785) 827-2221

(b) To the Paying Agent at:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235
Fax: (785) 296-6976

(c) To the Purchaser:

[Purchaser]
[Purchaser Address]
[City, State] [Zip]
Fax: [Purchaser Fax]

(d) To the Rating Agency(ies):

Moody's Municipal Rating Desk
7 World Trade Center
250 Greenwich Street, 23rd Floor
New York, New York 10007

S&P Global Ratings, a division of S&P Global Inc.
55 Water Street, 38th Floor
New York, New York 10004

or such other address as is furnished in writing to the other parties referenced herein.

“Notice Representative” means:

- (a) With respect to the Issuer, the Board Clerk.
- (b) With respect to the Bond Registrar and Paying Agent, the Director of Fiscal Services.
- (c) With respect to any Purchaser, the manager of its Municipal Bond Department.
- (d) With respect to any Rating Agency, any Vice President thereof.

“Official Statement” means Issuer’s Official Statement relating to the Bonds.

“Outstanding” means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of this Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means the State Treasurer and any successors and assigns.

“Permitted Investments” shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

“Person” means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Purchase Price” means the principal amount of the Bonds plus accrued interest to the date of delivery[, plus a premium of \$[_____][, less an underwriting discount of \$[_____][, less an original issue discount of \$[_____]].

“Purchaser” means [Purchaser], [City, State], the original purchaser of the Bonds, and any successor and assigns.

“Rating Agency” means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

“Rebate Fund” means the Rebate Fund for General Obligation Bonds, Series 2023-B (Subject to AMT) created pursuant to *Section 501* hereof.

“Record Dates” for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Redemption Date” means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

“Redemption Price” means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Refunded Notes” means the Series 2021-1 Notes maturing in the year in the aggregate principal amount of \$3,545,000.

“Refunded Notes Paying Agent” means the paying agent for the Refunded Notes as designated in the Refunded Notes Resolution, and any successor or successors at the time acting as paying agent of the Refunded Notes.

“Refunded Notes Redemption Date” means June 8, 2023.

“Refunded Notes Redemption Fund” means the Redemption Fund for Refunded Notes created pursuant to *Section 501* hereof.

“Refunded Notes Resolution” means the resolution which authorized the Refunded Notes.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Bonds in accordance with *Section 213* hereof.

“SEC Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

“Securities Depository” means, initially, DTC, and its successors and assigns.

“Series 2021-1 Notes” means the Issuer's Taxable General Obligation Temporary Notes, Series 2021-1, dated November 10, 2021.

“Special Record Date” means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

“Standard & Poor's” or “S&P” means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“State” means the state of Kansas.

“State Treasurer” means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“**Substitute Improvements**” means the substitute or additional improvements of the Issuer described in *Article V* hereof.

[“**Term Bonds**” means the Bonds scheduled to mature in the year 2040.]

[“**___ Term Bonds**” means the Bonds scheduled to mature in the year ____.]

[“**2040 Term Bonds**” means the Bonds scheduled to mature in the year 2040.]

[“**Term Bonds**” means collectively the [____] Term Bonds[, the [____] Term Bonds] and the 2040 Term Bonds.]

“**Treasurer**” means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

“**United States Government Obligations**” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the General Obligation Bonds, Series 2023-B (Subject to AMT), of the Issuer in the principal amount of \$8,870,000, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements, including retiring the Refunded Notes; and (b) pay Costs of Issuance.

Section 202. Description of the Bonds. The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in *Article III* hereof, and shall bear interest at the rates per annum as follows:

[SERIAL BONDS]

Stated Maturity <u>September 1</u>	Principal <u>Amount</u>	Annual Rate <u>of Interest</u>	Stated Maturity <u>September 1</u>	Principal <u>Amount</u>	Annual Rate <u>of Interest</u>
2032	\$100,000	_____ %	2037	\$1,330,000	_____ %
2033	1,140,000		2038	1,390,000	
2034	1,175,000		2039	1,135,000	
2035	1,225,000		2040	100,000	
2036	1,275,000				

[TERM BONDS

Stated Maturity <u>September 1</u> 2040	Principal <u>Amount</u> \$_____	Annual Rate <u>of Interest</u> _____ %]
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The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in **Section 204** hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as **EXHIBIT A** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Chair of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions

including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 206. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of 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, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge

against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this *Article II*.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual, electronic or facsimile signature of the Chair, attested by the manual, electronic or facsimile signature of the Board Clerk, and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Chair and Board Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Board Clerk, which registration shall be evidenced by the manual, electronic or facsimile signature of the Board Clerk with the seal of the Issuer affixed thereto or imprinted thereon, and registered in the office of the Clerk of Saline County, Kansas, which registration shall be evidenced by the manual, electronic or facsimile signature of the Clerk of Saline County, Kansas with the seal of Saline County, Kansas affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual, electronic or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Chair and Board Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as *EXHIBIT A* hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond

shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

Section 208. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

Section 209. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Book-Entry Bonds; Securities Depository. The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the

continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in an Authorized Denominations and form as provided herein.

Section 211. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 212. Preliminary and Final Official Statement. The Preliminary Official Statement relating to the Bonds is hereby ratified and approved. For the purpose of enabling the Purchaser to comply with the requirements of Section (b)(1) of the SEC 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 Section (b)(1) of the SEC Rule, and the appropriate officers of the Issuer are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to 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 SEC Rule.

The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Chair and Board Clerk are hereby authorized to execute the Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the Issue Date.

The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of the SEC Rule and Rule G-32 of the Municipal Securities Rulemaking Board.

Section 213. Sale of the Bonds. The sale of the Bonds to the Purchaser is hereby ratified and confirmed. The Chair and Board Clerk are hereby authorized to execute the official bid form submitted by the Purchaser. Delivery of the Bonds shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Bond Resolution), upon payment of the Purchase Price.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 2033, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on September 1, 2032, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

[**Mandatory Redemption.** (a) [] *Term Bonds.*] The [] Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such [] Term Bonds:

**Principal
Amount**

Year

§

*

*Final Maturity

[(b) [] *Term Bonds*. The [] *Term Bonds* shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in *Article IV* hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such [] *Term Bonds*:

**Principal
Amount**
\$

Year

[]*

*Final Maturity]

[(c) *2040 Term Bonds*.] The *2040 Term Bonds* shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in *Article IV* hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such *2040 Term Bonds*:

**Principal
Amount**
\$

Year

2040*

*Final Maturity]

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (1) deliver to the Paying Agent for cancellation *Term Bonds* subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any *Term Bonds* subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the Issuer under this Section for any *Term Bonds* subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each *Term Bond* so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem *Term Bonds* of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for *Term Bonds* of the same Stated Maturity as designated by the Issuer, and the principal amount of *Term Bonds* to be redeemed by operation

of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.]

Section 302. Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. [The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Term Bonds hereunder, and Term Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.]

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;

(c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;

(d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. Further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond

Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for the Bonds. The Bonds shall be general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 402. Levy and Collection of Annual Tax; Transfer to Debt Service Account. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Improvement Fund for General Obligation Bonds, Series 2023-B (Subject to AMT).
- (b) Redemption Fund for Refunded Notes.
- (c) Debt Service Account for General Obligation Bonds, Series 2023-B (Subject to AMT) (within the Bond and Interest Fund).
- (d) Rebate Fund for General Obligation Bonds, Series 2023-B (Subject to AMT).
- (e) Costs of Issuance Account for General Obligation Bonds, Series 2023-B (Subject to AMT).
- (f) Compliance Account.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

Section 502. Deposit of Bond Proceeds. The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

- (a) An amount necessary to pay the Costs of Issuance shall be deposited in the Costs of Issuance Account.
- (b) An amount necessary to pay the costs of refunding the Refunded Notes shall be deposited into the Refunded Notes Redemption Fund.
- (c) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited into the Improvement Fund.

Section 503. Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements, in accordance with the plans and specifications therefor prepared by the Consulting Engineer heretofore approved by the Governing Body and on file in the office of the Board Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consulting Engineer and approved by the Governing Body; and (b) paying interest on the Bonds during construction of the Improvements; (c) paying Costs of Issuance; and (d) transferring any amounts to the Rebate Fund required by this *Article V*.

Withdrawals from the Improvement Fund shall be made only when authorized by the Governing Body. Each authorization for costs of the Improvements shall be supported by a certificate executed by the Board Clerk (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Authorizations for withdrawals for other authorized purposes shall be supported by a certificate executed by the Board Clerk (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

Section 504. Substitution of Improvements; Reallocation of Proceeds.

(a) The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Bonds provided the following conditions are met: (1) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the Governing Body in accordance with the laws of the State; (2) a resolution authorizing the use of the proceeds of the Bonds to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the Governing Body pursuant to this Section, (3) the Attorney General of the State has approved the amendment made by such resolution to the transcript of proceedings for the Bonds to include the Substitute Improvements; and (4) the use of the proceeds of the Bonds to pay the Financeable Cost of the Substitute Improvement will not adversely affect the tax-exempt status of the Bonds under State or federal law.

(b) The Issuer may reallocate expenditure of Bond proceeds among all Improvements financed by the Bonds; provided the following conditions are met: (1) the reallocation is approved by the Governing Body; (2) the reallocation shall not cause the proceeds of the Bonds allocated to any Improvement to exceed the Financeable Costs of the Improvement; and (3) the reallocation will not adversely affect the tax-exempt status of the Bonds under State or federal law.

Section 505. Application of Moneys in the Refunded Notes Redemption Fund. Moneys in the Refunded Notes Redemption Fund shall be paid and transferred to the Refunded Notes Paying Agent, with irrevocable instructions to apply such amount to the payment of the Refunded Notes on the Refunded Notes Redemption Date. Any moneys remaining in the Refunded Notes Redemption Fund not needed to retire the Refunded Notes shall be transferred to the Debt Service Account.

Section 506. Application of Moneys in Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

Section 507. Application of Moneys in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Certificate. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Certificate), for payment to the United States of America, and neither the Issuer nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and the Federal Tax Certificate.

(b) The Issuer shall periodically determine the arbitrage rebate, if any, under Code § 148(f) in accordance with the Federal Tax Certificate, and the Issuer shall make payments to the United States of America at the times and in the amounts determined under the Federal Tax Certificate. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be deposited into the Bond and Interest Fund.

(c) Notwithstanding any other provision of this Bond Resolution, including in particular *Article VII* hereof, the obligation to pay arbitrage rebate to the United States of America and to comply with all other requirements of this Section and the Federal Tax Certificate shall survive the defeasance or payment in full of the Bonds.

Section 508. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the Issuer; or (b) if no such entity has a main or branch office located in the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account other than the Redemption Fund may be invested in accordance with this Bond Resolution and the Federal Tax Certificate in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account.

Section 509. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Improvement Fund until completion of the Improvements and thereafter to the Compliance Account or Debt Service Account.

Section 510. Application of Moneys in the Compliance Account. Moneys in the Compliance Account shall be used by the Issuer to pay fees and expenses relating to compliance with federal arbitrage law and state or federal securities laws. Any funds remaining in the Compliance Account on the sixth anniversary of the Issue Date shall be transferred to the Debt Service Account.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Remedies. The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal

amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall, subject to any determination in such action or proceeding or applicable law of the State, be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged.

Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with *Article III* hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

ARTICLE VIII

TAX COVENANTS

Section 801. General Covenants. The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The Chair and Director of Administration & Finance are hereby authorized and directed to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

Section 802. Survival of Covenants. The covenants contained in this Article and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to *Article VII* hereof or any other provision of this Bond Resolution until such time as is set forth in the Federal Tax Certificate.

ARTICLE IX

CONTINUING DISCLOSURE REQUIREMENTS

Section 901. Disclosure Requirements. The Issuer hereby covenants with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking, the provisions of which are incorporated herein by reference. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Section 902. Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its covenants contained in the preceding section, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in the preceding section or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section. Notwithstanding any other provision of this Bond Resolution, failure of the Issuer to comply with its covenants contained in the preceding section shall not be considered an Event of Default under this Bond Resolution.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1001. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Board Clerk. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the Governing Body shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

Section 1002. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Board Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the Governing Body at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to provide for Substitute Improvements, to conform this Bond Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the Governing Body amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Board Clerk, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Bond Resolution will be sent by the Board Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Board Clerk a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

Section 1003. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 1004. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Section 1005. Electronic Transactions. The transactions described in this Bond Resolution may be conducted, and documents related to the Bonds may be sent, received, executed, and stored, by electronic means or transmissions. Copies, teletypes, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 1006. Further Authority. The officers and officials of the Issuer, including the Chair, Director of Administration and Finance, and Board Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1007. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 1008. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1009. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

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ADOPTED by the board of directors on May 17, 2023.

(SEAL)

Chair

ATTEST:

Board Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Bond Resolution of the Issuer adopted by the Governing Body on May 17, 2023, as the same appears of record in my office.

DATED: May 17, 2023.

Board Clerk

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**EXHIBIT A
(FORM OF BONDS)**

**REGISTERED
NUMBER __**

**REGISTERED
\$**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF SALINE
SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
GENERAL OBLIGATION BOND
SERIES 2023-B (SUBJECT TO AMT) (SUBJECT TO AMT)**

**Interest
Rate:**

**Maturity
Date:**

**Dated
Date: June 7, 2023**

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the Salina Airport Authority (Salina, Kansas) (the “Issuer”), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to the Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2024 (the “Interest Payment Dates”), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an

interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

Authorization of Bonds. This Bond is one of an authorized series of Bonds of the Issuer designated “General Obligation Bonds, Series 2023-B (Subject to AMT),” aggregating the principal amount of \$8,870,000* (the “Bonds”) issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Bonds (the “Bond Resolution”). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 27-315 to 27-326, inclusive, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Bonds constitute general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Redemption Prior to Maturity. The Bonds are subject to redemption prior to maturity as set forth in the Bond Resolution.

Book-Entry System. The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Bond Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements among the Issuer, the Bond Registrar and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE BOND RESOLUTION, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual, electronic or facsimile signature of its Chair and attested by the manual, electronic or facsimile signature of its Board Clerk, and its seal to be affixed hereto or imprinted hereon.

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)**

(Facsimile Seal)

By: _____ (facsimile)
Chair

ATTEST:

By: _____ (facsimile)
Board Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of a series of General Obligation Bonds, Series 2023-B (Subject to AMT), of the Salina Airport Authority (Salina, Kansas), described in the within-mentioned Bond Resolution.

Registration Date: _____

Office of the State Treasurer,
Topeka, Kansas,
as Bond Registrar and Paying Agent

By _____

Registration Number: _____

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

GILMORE & BELL, P.C.
Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$ _____, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint _____ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____

Name

Social Security or
Taxpayer Identification No.

Signature (Sign here exactly as name(s)
appear on the face of Certificate)

Signature guarantee:

By _____

CERTIFICATE OF BOARD CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, Board Clerk of the Salina Airport Authority (Salina, Kansas), does hereby certify that the within Bond has been duly registered in my office according to law as of June 7, 2023.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
Board Clerk

CERTIFICATE OF COUNTY CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, County Clerk of Saline County, Kansas, does hereby certify that the within Bond has been duly registered in my office according to law as of June 7, 2023.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
County Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

STEVEN JOHNSON, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in the office of the State Treasurer, and that this Bond was registered in such office according to law on _____.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
Treasurer of the State of Kansas

RESOLUTION NO. 23-09

OF

THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

ADOPTED

MAY 17, 2023

**GENERAL OBLIGATION BONDS
SERIES 2023-C**

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RESOLUTION NO. 23-09

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES 2023-C, OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the Salina Airport Authority (Salina, Kansas) (the “Issuer”) is a legally constituted public airport authority, duly created, organized and existing under the Constitution and laws of the State including specifically K.S.A 27-315 to 27-236 *et seq.*; and

WHEREAS, Issuer has previously authorized certain internal improvements described as follows (collectively the “Improvements”):

<u>Project Description</u>	<u>Res. No.</u>	<u>Amount</u>
Land Acquisition	20-04	\$2,200,000
General Aviation Hangar, Air Terminal Concourse and Building 595 Projects	21-08	3,500,000
Aviation Fuel Facility, additional improvements to General Aviation Hangar, Hangar 626 MRO Projects	23-04	10,235,000
Total:		\$13,735,000

WHEREAS, the Issuer desires to issue its general obligation bonds in order to permanently finance a portion of the costs of such Improvements and to retire the following temporary notes of the Issuer, which were issued to temporarily finance a portion of the costs of the Improvements (the “Refunded Notes”):

<u>Series</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Redemption Amount</u>	<u>Redemption Date</u>
2020	09/01/2020	09/01/2023	\$2,100,000	\$2,100,000	06/08/2023

WHEREAS, the governing body of the Issuer is authorized by law to issue the general obligation bonds to pay a portion of the costs of the Improvements; and

WHEREAS, the governing body of the Issuer has advertised the sale of the Bonds in accordance with the law and at a meeting held on this date, awarded the sale of such Bonds to the lowest bidder; and

WHEREAS, the governing body of the Issuer hereby finds and determines that it is necessary for the Issuer to authorize the issuance and delivery of the Bonds in the principal amount of \$6,855,000* to pay a portion of the costs of the Improvements, including retiring the Refunded Notes, and pay Costs of Issuance.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS), AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq.*, and K.S.A. 27-315 to 27-326, inclusive, all as amended and supplemented from time to time.

“Authority” means the Salina Airport Authority (Salina, Kansas).

“Authorized Denomination” means \$5,000 or any integral multiples thereof.

“Beneficial Owner” of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

“Board Clerk” means the duly appointed and/or elected Board Clerk or, in the Board Clerk's absence, the duly appointed Deputy Board Clerk or Acting Board Clerk of the Issuer.

“Bond and Interest Fund” means the Bond and Interest Fund of the Issuer for its general obligation bonds.

“Bond Counsel” means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

“Bond Payment Date” means any date on which principal of or interest on any Bond is payable.

“Bond Register” means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

“Bond Registrar” means the State Treasurer and any successors and assigns.

“Bond Resolution” means this resolution relating to the Bonds.

“Bonds” or **“Bond”** means the General Obligation Bonds, Series 2023-C, authorized and issued by the Issuer pursuant to this Bond Resolution.

“Business Day” means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“Cede & Co.” means Cede & Co., as nominee of DTC and any successor nominee of DTC.

“**Chair**” means the duly elected and acting Chair, or in the Chair's absence, the duly appointed and/or elected Vice Chair or Acting Chair of the Issuer.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

“**Compliance Account**” means the Compliance Account created pursuant to *Section 501* hereof.

“**Consulting Engineer**” means an independent engineer or engineering firm, or architect or architectural firm, having a favorable reputation for skill and experience in the construction, financing and operation of public facilities, at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Consulting Engineer by this Bond Resolution.

“**Costs of Issuance**” means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

“**Costs of Issuance Account**” means the Costs of Issuance Account for General Obligation Bonds, Series 2023-C created pursuant to *Section 501* hereof.

“**Dated Date**” means June 7, 2023.

“**Debt Service Account**” means the Debt Service Account for General Obligation Bonds, Series 2023-C created within the Bond and Interest Fund pursuant to *Section 501* hereof.

“**Debt Service Requirements**” means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

“**Defaulted Interest**” means interest on any Bond which is payable but not paid on any Interest Payment Date.

“**Defeasance Obligations**” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

“Derivative” means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

“Disclosure Undertaking” means the Continuing Disclosure Undertaking, dated as of the Dated Date, relating to certain obligations contained in the SEC Rule.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

“DTC Representation Letter” means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

“Event of Default” means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution (other than the covenants relating to continuing disclosure requirements contained herein and in the Disclosure Undertaking) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

“Federal Tax Certificate” means the Issuer's Federal Tax Certificate, dated as of the Issue Date, as the same may be amended or supplemented in accordance with the provisions thereof.

“Financeable Costs” means the amount of expenditure for an Improvement which has been duly authorized by action of the Governing Body to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

“Fiscal Year” means the twelve month period ending on December 31.

“Funds and Accounts” means funds and accounts created pursuant to or referred to in *Section 501* hereof.

“Governing Body” means the board of directors of the Issuer.

“Improvements” means the improvements referred to in the preamble to this Bond Resolution and any Substitute Improvements.

“Improvement Fund” means the Improvement Fund for General Obligation Bonds, Series 2023-C created pursuant to *Section 501* hereof.

“Independent Accountant” means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

“Interest Payment Date(s)” means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing March 1, 2024.

“Issue Date” means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

“Issuer” means the Authority and any successors or assigns.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

“Moody's” means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“Notice Address” means with respect to the following entities:

(a) To the Issuer at:

3237 Arnold Avenue,
Salina, Kansas 67401
Fax: (785) 827-2221

(b) To the Paying Agent at:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235
Fax: (785) 296-6976

(c) To the Purchaser:

[Purchaser]
[Purchaser Address]
[Purchaser City, State] [Zip]
Fax: [Purchaser Fax]

(d) To the Rating Agency(ies):

Moody's Municipal Rating Desk
7 World Trade Center
250 Greenwich Street, 23rd Floor
New York, New York 10007

S&P Global Ratings, a division of S&P Global Inc.
55 Water Street, 38th Floor
New York, New York 10004

or such other address as is furnished in writing to the other parties referenced herein.

“Notice Representative” means:

- (a) With respect to the Issuer, the Board Clerk.
- (b) With respect to the Bond Registrar and Paying Agent, the Director of Fiscal Services.
- (c) With respect to any Purchaser, the manager of its Municipal Bond Department.
- (d) With respect to any Rating Agency, any Vice President thereof.

“Official Statement” means Issuer’s Official Statement relating to the Bonds.

“Outstanding” means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“Owner” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of this Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means the State Treasurer and any successors and assigns.

“Permitted Investments” shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

“Person” means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Purchase Price” means the principal amount of the Bonds plus accrued interest to the date of delivery[, plus a premium of \$[_____]], less an underwriting discount of \$[_____]], less an original issue discount of \$[_____]].

“Purchaser” means [Purchaser], [City, State], the original purchaser of the Bonds, and any successor and assigns.

“Rating Agency” means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

“Rebate Fund” means the Rebate Fund for General Obligation Bonds, Series 2023-C created pursuant to *Section 501* hereof.

“Record Dates” for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Redemption Date” means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

“Redemption Price” means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Refunded Notes” means the Series 2020 Notes maturing in the year 2023 in the aggregate principal amount of \$2,100,000.

“Refunded Notes Paying Agent” means the paying agent for the Refunded Notes as designated in the Refunded Notes Resolution, and any successor or successors at the time acting as paying agent of the Refunded Notes.

“Refunded Notes Redemption Date” means June 8, 2023.

“Refunded Notes Redemption Fund” means the Redemption Fund for Refunded Notes created pursuant to *Section 501* hereof.

“Refunded Notes Resolution” means the resolution which authorized the Refunded Notes.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Bonds in accordance with *Section 213* hereof.

“SEC Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

“Securities Depository” means, initially, DTC, and its successors and assigns.

“Series 2020 Notes” means the Issuer's General Obligation Temporary Notes, Series 2020, dated September 1, 2020.

“Special Record Date” means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

“Standard & Poor's” or “S&P” means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“State” means the state of Kansas.

“State Treasurer” means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“**Substitute Improvements**” means the substitute or additional improvements of the Issuer described in *Article V* hereof.

[“**Term Bonds**” means the Bonds scheduled to mature in the year 2043.]

[“**___ Term Bonds**” means the Bonds scheduled to mature in the year ____.]

[“**2043 Term Bonds**” means the Bonds scheduled to mature in the year 2043.]

[“**Term Bonds**” means collectively the [____] Term Bonds[, the [____] Term Bonds] and the 2043 Term Bonds.]

“**Treasurer**” means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

“**United States Government Obligations**” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the General Obligation Bonds, Series 2023-C, of the Issuer in the principal amount of \$6,855,000*, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements, including retiring the Refunded Notes; and (b) pay Costs of Issuance.

Section 202. Description of the Bonds. The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in *Article III* hereof, and shall bear interest at the rates per annum as follows:

[SERIAL BONDS]

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>	<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2039	\$	_____ %	2042	\$	_____ %
2040			2043		
2041					

[TERM BONDS]

Stated Maturity	Principal	Annual Rate
<u>September 1</u>	<u>Amount</u>	<u>of Interest</u>
2043	\$ _____	_____ %]

The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in **Section 204** hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as **EXHIBIT A** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Chair of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 206. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of 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, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this *Article II*.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual, electronic or facsimile signature of the Chair, attested by the manual, electronic or facsimile signature of the Board Clerk, and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Chair and Board Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Board Clerk, which registration shall be evidenced by the manual, electronic or facsimile signature of the Board Clerk with the seal of the Issuer affixed thereto or imprinted thereon, and registered in the office of the Clerk of Saline, Kansas, which registration shall be evidenced by the manual, electronic or facsimile signature of the Clerk of Saline County, Kansas with the seal of Saline County, Kansas affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual, electronic or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Chair and Board Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as *EXHIBIT A* hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has

been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

Section 208. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

Section 209. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Book-Entry Bonds; Securities Depository. The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in an Authorized Denominations and form as provided herein.

Section 211. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 212. Preliminary and Final Official Statement. The Preliminary Official Statement relating to the Bonds, is hereby ratified and approved. For the purpose of enabling the Purchaser to comply

with the requirements of Section (b)(1) of the SEC 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 Section (b)(1) of the SEC Rule, and the appropriate officers of the Issuer are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to 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 SEC Rule.

The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Chair and Board Clerk are hereby authorized to execute the Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the Issue Date.

The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of the SEC Rule and Rule G-32 of the Municipal Securities Rulemaking Board.

Section 213. Sale of the Bonds. The sale of the Bonds to the Purchaser is hereby ratified and confirmed. The Chair and Board Clerk are hereby authorized to execute the official bid form submitted by the Purchaser. Delivery of the Bonds shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Bond Resolution), upon payment of the Purchase Price.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 2033, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on September 1, 2032, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

[**Mandatory Redemption.** [] Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in *Article IV* hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such [] Term Bonds:

Principal Amount	Year
\$	

*

*Final Maturity

[(b) [] Term Bonds. The [] Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in *Article IV* hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such [] Term Bonds:

**Principal
Amount**
\$

Year

[]*

*Final Maturity]

[(c) 2043 Term Bonds.] The 2043 Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in *Article IV* hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 2043 Term Bonds:

**Principal
Amount**
\$

Year

2043*

*Final Maturity]

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the Issuer under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity as designated by the Issuer, and the principal amount of Term Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to

what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.]

Section 302. Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. [The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Term Bonds hereunder, and Term Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.]

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;

(d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. Further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for the Bonds. The Bonds shall be general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 402. Levy and Collection of Annual Tax; Transfer to Debt Service Account. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Improvement Fund for General Obligation Bonds, Series 2023-C.

- (b) Redemption Fund for Refunded Notes.
- (c) Debt Service Account for General Obligation Bonds, Series 2023-C (within the Bond and Interest Fund).
- (d) Rebate Fund for General Obligation Bonds, Series 2023-C.
- (e) Costs of Issuance Account for General Obligation Bonds, Series 2023-C.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

Section 502. Deposit of Bond Proceeds. The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

- (a) An amount necessary to pay the Costs of Issuance shall be deposited in the Costs of Issuance Account.
- (b) An amount necessary to pay the costs of refunding the Refunded Notes shall be deposited into the Refunded Notes Redemption Fund.
- (c) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited into the Improvement Fund.

Section 503. Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements, in accordance with the plans and specifications therefor prepared by the Consulting Engineer heretofore approved by the Governing Body and on file in the office of the Board Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consulting Engineer and approved by the Governing Body; and (b) paying interest on the Bonds during construction of the Improvements; (c) paying Costs of Issuance; and (d) transferring any amounts to the Rebate Fund required by this *Article V*.

Withdrawals from the Improvement Fund shall be made only when authorized by the Governing Body. Each authorization for costs of the Improvements shall be supported by a certificate executed by the Board Clerk (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Authorizations for withdrawals for other authorized purposes shall be supported by a certificate executed by the Board Clerk (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

Section 504. Substitution of Improvements; Reallocation of Proceeds.

- (a) The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Bonds provided the following conditions are met: (1) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the Governing Body in accordance with the laws of the State; (2) a resolution authorizing the use of the proceeds of the Bonds to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the Governing Body pursuant to this Section, (3) the Attorney General of the

State has approved the amendment made by such resolution to the transcript of proceedings for the Bonds to include the Substitute Improvements; and (4) the use of the proceeds of the Bonds to pay the Financeable Cost of the Substitute Improvement will not adversely affect the tax-exempt status of the Bonds under State or federal law.

(b) The Issuer may reallocate expenditure of Bond proceeds among all Improvements financed by the Bonds; provided the following conditions are met: (1) the reallocation is approved by the Governing Body; (2) the reallocation shall not cause the proceeds of the Bonds allocated to any Improvement to exceed the Financeable Costs of the Improvement; and (3) the reallocation will not adversely affect the tax-exempt status of the Bonds under State or federal law.

Section 505. Application of Moneys in the Refunded Notes Redemption Fund. Moneys in the Refunded Notes Redemption Fund shall be paid and transferred to the Refunded Notes Paying Agent, with irrevocable instructions to apply such amount to the payment of the Refunded Notes on the Refunded Notes Redemption Date. Any moneys remaining in the Refunded Notes Redemption Fund not needed to retire the Refunded Notes shall be transferred to the Debt Service Account.

Section 506. Application of Moneys in Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

Section 507. Application of Moneys in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Certificate. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Certificate), for payment to the United States of America, and neither the Issuer nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and the Federal Tax Certificate.

(b) The Issuer shall periodically determine the arbitrage rebate, if any, under Code § 148(f) in accordance with the Federal Tax Certificate, and the Issuer shall make payments to the United States of America at the times and in the amounts determined under the Federal Tax Certificate. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be deposited into the Bond and Interest Fund.

(c) Notwithstanding any other provision of this Bond Resolution, including in particular *Article VII* hereof, the obligation to pay arbitrage rebate to the United States of America and to comply with all other requirements of this Section and the Federal Tax Certificate shall survive the defeasance or payment in full of the Bonds.

Section 508. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the Issuer or (b) if no such entity has a main or branch office located in the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account other than the Redemption Fund may be invested in accordance with this Bond Resolution and the Federal Tax Certificate in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account.

Section 509. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Improvement Fund until completion of the Improvements and thereafter to the Compliance Account or Debt Service Account..

Section 510. Application of Moneys in the Compliance Account. Moneys in the Compliance Account shall be used by the Issuer to pay fees and expenses relating to compliance with federal arbitrage law and state or federal securities laws. Any funds remaining in the Compliance Account on the sixth anniversary of the Issue Date shall be transferred to the Debt Service Account.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Remedies. The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall, subject to any determination in such action or proceeding or applicable law of the State, be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If

the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with *Article III* hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

ARTICLE VIII

TAX COVENANTS

Section 801. General Covenants. The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The Chair and Director of Administration & Finance are hereby authorized and directed to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

Section 802. Survival of Covenants. The covenants contained in this Article and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to *Article VII* hereof or any other provision of this Bond Resolution until such time as is set forth in the Federal Tax Certificate.

ARTICLE IX

CONTINUING DISCLOSURE REQUIREMENTS

Section 901. Disclosure Requirements. The Issuer hereby covenants with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking, the provisions of which are incorporated herein by reference. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Section 902. Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its covenants contained in the preceding section, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in the preceding section or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce

any of the duties of the Issuer under such preceding section. Notwithstanding any other provision of this Bond Resolution, failure of the Issuer to comply with its covenants contained in the preceding section shall not be considered an Event of Default under this Bond Resolution.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1001. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Board Clerk. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the Governing Body shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

Section 1002. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Board Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the Governing Body at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to provide for Substitute Improvements, to conform this Bond Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the Governing Body amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Board Clerk, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Bond Resolution will be sent by the Board Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Board Clerk a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

Section 1003. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 1004. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others

of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Section 1005. Electronic Transactions. The transactions described in this Bond Resolution may be conducted, and documents related to the Bonds may be sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 1006. Further Authority. The officers and officials of the Issuer, including the Chair, Director of Administration and Finance and Board Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1007. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 1008. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1009. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

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ADOPTED by the board of directors on May 17, 2023.

(SEAL)

Chair

ATTEST:

Board Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Bond Resolution of the Issuer adopted by the Governing Body on May 17, 2023, as the same appears of record in my office.

DATED: May 17, 2023.

Board Clerk

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**EXHIBIT A
(FORM OF BONDS)**

**REGISTERED
NUMBER __**

**REGISTERED
\$**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF SALINE
SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
GENERAL OBLIGATION BOND
SERIES 2023-C**

**Interest
Rate:**

**Maturity
Date:**

**Dated
Date: June 7, 2023**

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the Salina Airport Authority (Salina, Kansas), (the “Issuer”), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to the Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2024 (the “Interest Payment Dates”), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other

address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

Authorization of Bonds. This Bond is one of an authorized series of Bonds of the Issuer designated “General Obligation Bonds, Series 2023-C,” aggregating the principal amount of \$6,855,000* (the “Bonds”) issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance and prescribing the form and details of the Bonds (the “Bond Resolution”). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 27-315 to 27-326, inclusive, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Bonds constitute general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Redemption Prior to Maturity. The Bonds are subject to redemption prior to maturity as set forth in the Bond Resolution.

Book-Entry System. The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Bond Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made

in accordance with existing arrangements among the Issuer, the Bond Registrar and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE BOND RESOLUTION, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual, electronic or facsimile signature of its Chair and attested by the manual, electronic or facsimile signature of its Board Clerk, and its seal to be affixed hereto or imprinted hereon.

**SALINA AIRPORT AUTHORITY
(SALINA, KANSAS)**

(Facsimile Seal)

By: _____ (facsimile)
Chair

ATTEST:

By: _____ (facsimile)
Board Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of a series of General Obligation Bonds, Series 2023-C, of the Salina Airport Authority (Salina, Kansas), described in the within-mentioned Bond Resolution.

Registration Date: _____

Office of the State Treasurer,
Topeka, Kansas,
as Bond Registrar and Paying Agent

By _____

Registration Number: _____

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

GILMORE & BELL, P.C.
Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$ _____, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint _____ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____

Name

Social Security or
Taxpayer Identification No.

Signature (Sign here exactly as name(s)
appear on the face of Certificate)

Signature guarantee:

By _____

CERTIFICATE OF BOARD CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, Board Clerk of the Salina Airport Authority (Salina, Kansas), does hereby certify that the within Bond has been duly registered in my office according to law as of June 7, 2023.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
Board Clerk

CERTIFICATE OF COUNTY CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, County Clerk of Saline County, Kansas, does hereby certify that the within Bond has been duly registered in my office according to law as of June 7, 2023.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
County Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

STEVEN JOHNSON, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in the office of the State Treasurer, and that this Bond was registered in such office according to law on _____.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
Treasurer of the State of Kansas

SECOND ADDENDUM TO LEASE AGREEMENT

This Second Addendum to Lease Agreement (the “Second Addendum”) is made and entered into this 12th day of May 2023, by and between the **SALINA AIRPORT AUTHORITY**, a Kansas public corporation, of Salina, Saline County, Kansas (the “Authority”), and **STRYTEN SALINA, LLC.**, a limited liability company authorized to do business in Kansas, with principal offices at 413 East Berg Road, Salina, KS, (“Lessee”).

RECITALS

- A. The Authority and Lessee entered into a Lease Agreement, dated October 21, 2020 (the “Lease”), for a portion of Bldg. 655, commonly referred to as Units B & C and located at the Salina Airport Industrial Center located within the City of Salina, Saline County, Kansas (the “Premises”).
- B. On November 30, 2021, the Authority and Lessee entered into the Addendum to Lease Agreement (the “First Addendum”) which increase the leasehold Premises by an additional 41,758 sq. ft. of building space that would include what is referred to as Unit A of Bldg. 655.
- C. The Lease as amended by the First Addendum is set to expire on September 30, 2023, and the Lessee desires to extend the Lease by providing an additional 16-month term with two 6-month option periods.
- D. Now therefore, the parties desire to further amend the Lease as amended by the First Addendum, as follows.

THE PARTIES therefore covenant and agree:

1. Section 2.1 of the Lease is amended as follows:

2.1. Term and Effective Date of Lease. Term and Effective Date of Lease. The Term of this Lease shall be extended for an additional sixteen (16) months commencing effective October 1, 2023 (“Effective Date”) and terminating on January 31, 2025 (“Primary Term”).

2. Section 4.1 of the Lease is amended as follows:

4.1 Basic Rent. Lessee agrees to pay the Authority a Basic Rent for the leasing of the Premises the sum of Twenty Thousand One Hundred and Twenty-five Dollars and no/100 (\$20,125.00) per month, the first of which shall be due on October 1, 2023. The rental

shall be payable monthly in advance and shall be due on the first day of each month for that month

3. Section 3 of the Lease is amended as follows:

3. Option to Renew. The Lessee is hereby given the option to renew this Lease for two (2) additional terms of six (6) months each at the expiration of the Primary Term. In the event the Lessee elects to exercise its option hereunder, it must notify the Authority in writing sixty (60) days prior to the expiration of the then current term. The Basic Rent for option periods shall be as follows:

Option Period 1: \$20,145.00 per month

Option Period 2: \$20,347.00 per month

4. Effective Date: This Second Addendum shall become effective as of October 1, 2023.

5. Other Terms. All the terms and conditions of the Lease and First Addendum, except as amended by this Second Addendum, are hereby ratified and shall be in full force and effect.

6. Binding Effect. This Second Addendum shall be binding upon the heirs, beneficiaries, personal representatives, successors, and assigns of the Authority and the Lessee.

SALINA AIRPORT AUTHORITY

By: _____
Tod Roberg, Board Chair

Date: _____

ATTEST

By: _____
Board Clerk

Date: _____

STRYTEN SALINA, LLC

By:  _____
Bob Holmes VP, Adv Mfg

Date: May 12, 2023

ATTEST

By: _____
Bob Penman General Counsel

Date: _____

Upon recordation, this instrument is to be returned to:
Salina Area Technical College
2562 Centennial Road
Salina, KS 67401

Reserved for Register of Deeds

KANSAS WARRANTY DEED

(Including Aerial Easement, Height Limitation, Site Development and Restricted Use Covenants and Nonrenewable Resources Reservation)

On this ____ day of _____, 2023, **Salina Airport Authority**, a Kansas public corporation, ("Grantor"), conveys and warrants to **Salina Area Technical College**, an educational institution, ("Grantee"), all of the following-described real estate in Saline County, Kansas:

Lot 8 (1.57 acres), Block 4, Schilling Subdivision No. 5 to the City of Salina, Saline County, Kansas, (containing 68,389 sq. ft., more or less and hereinafter referred to as the "Premises")

for the sum of one dollar and other valuable consideration;

SUBJECT TO zoning or deed restrictions and easements of record; and

FURTHER SUBJECT TO the following reservation of aerial easement and height limitation:

Grantor hereby reserves unto itself, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises herein conveyed, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or land at, taking off from, or operating on or about the Salina Regional Airport (the "Aerial Easement"). Therefore, under no circumstances shall the finished elevation of any structure or the height of any equipment on the Premises exceed 1,437.7 ft. above sea level.

FURTHER SUBJECT TO the following covenant regarding site development and plan review:

Grantee covenants that Grantor's Board of Directors must approve any site development and building construction plans based on their architectural review prior to commencement of any construction.

FURTHER SUBJECT TO the following covenant restricting use:

The Premises and any improvements constructed thereon shall not be used or operated as an “Adult-Oriented Business” as defined by ordinance of the City of Salina, Kansas, (“City”) or the substantial equivalent of an Adult-Oriented Business as that term or its definition may, from time to time, be amended by the governing body of the City.

FURTHER SUBJECT TO the following reservation of nonrenewable resources:

Grantor reserves to itself, its successors, and assigns, all of the oil, gas, and minerals in and under the surface of said land, including the right of ingress and egress and use of so much of the surface thereof as may be reasonably necessary for the operation so long as such right does not interfere with the intended use of the property.

The reservation of aerial easement, height limitation, site development and restricted use covenants and Nonrenewable Resources Reservation, as set forth above shall run with and be binding upon the Premises, in perpetuity.

SALINA AIRPORT AUTHORITY

By: _____

Tod Roberg, Chairman

ATTEST:

Board Clerk

STATE OF KANSAS, SALINE COUNTY, ss:

BE IT REMEMBERED, that on this ____day of _____, 2023, before me, the undersigned, a notary public in and for the county and state aforesaid, came Tod Roberg, Chairman of the Salina Airport Authority, and Kasey Windhorst, Board Clerk, who are personally known to me to be the same persons who executed as such officers the within instrument of writing and on behalf of the Salina Airport Authority, and such persons duly acknowledged the execution of the same on behalf of the Authority.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

Notary Public

DRAFT



U.S. Department
of Transportation
**Federal Aviation
Administration**

Airports Division
Central Region
Iowa, Kansas, Missouri, Nebraska

FAA ACE-600
901 Locust
Kansas City, MO 64106

Mr. Timothy Rogers
Executive Director
Salina Regional Airport
M.J. Kennedy Air Terminal
3237 Arnold Avenue
Salina, KS 67401

Dear Mr. Rogers:

The Grant Offer for Airport Improvement Program (AIP) Project No. 3-20-0072-048-2023 at Salina Regional Airport is attached for execution. This letter outlines the steps you must take to properly enter into this agreement and provides other useful information. Please read the conditions, special conditions, and assurances that comprise the grant offer carefully.

You may not make any modification to the text, terms or conditions of the grant offer.

Steps You Must Take to Enter Into Agreement. To properly enter into this agreement, you must do the following:

1. The governing body must give authority to execute the grant to the individual(s) signing the grant, i.e., the person signing the document must be the sponsor's authorized representative(s) (hereinafter "authorized representative").
2. The authorized representative must execute the grant by adding their electronic signature to the appropriate certificate at the end of the agreement.
3. Once the authorized representative has electronically signed the grant, the sponsor's attorney(s) will automatically receive an email notification.
4. On the **same day or after** the authorized representative has signed the grant, the sponsor's attorney(s) will add their electronic signature to the appropriate certificate at the end of the agreement.
5. If there are co-sponsors, the authorized representative(s) and sponsor's attorney(s) must follow the above procedures to fully execute the grant and finalize the process. Signatures must be obtained and finalized no later than June 29, 2023.
6. The fully executed grant will then be automatically sent to all parties as an email attachment.

Payment. Subject to the requirements in 2 CFR § 200.305 (Federal Payment), each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

Project Timing. The terms and conditions of this agreement require you to complete the project without undue delay and no later than the Period of Performance end date (1,460 days from the grant execution date). We will be monitoring your progress to ensure proper stewardship of these Federal funds. **We expect you to submit payment requests for reimbursement of allowable incurred project expenses**

consistent with project progress. Your grant may be placed in “inactive” status if you do not make draws on a regular basis, which will affect your ability to receive future grant offers. Costs incurred after the Period of Performance ends are generally not allowable and will be rejected unless authorized by the FAA in advance.

Reporting. Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- For all grants, you must submit by December 31st of each year this grant is open:
 1. A signed/dated SF-270 (Request for Advance or Reimbursement for non-construction projects) or SF-271 or equivalent (Outlay Report and Request for Reimbursement for Construction Programs), and
 2. An SF-425 (Federal Financial Report).
- For non-construction projects, you must submit [FAA Form 5100-140, Performance Report](#) within 30 days of the end of the Federal fiscal year.
- For construction projects, you must submit [FAA Form 5370-1, Construction Progress and Inspection Report](#), within 30 days of the end of each Federal fiscal quarter.

Audit Requirements. As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR Part 200. Subpart F requires non-Federal entities that expend \$750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to ensure your organization will comply with applicable audit requirements and standards.

Closeout. Once the project(s) is completed and all costs are determined, we ask that you work with your FAA contact indicated below to close the project without delay and submit the necessary final closeout documentation as required by your Region/Airports District Office.

FAA Contact Information. Andrea McKinnie, (816) 329-2633, is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,



Jim A. Johnson

Director, Central Region Airports Division



U.S. Department
of Transportation
Federal Aviation
Administration

FEDERAL AVIATION ADMINISTRATION AIRPORT IMPROVEMENT PROGRAM

FY 2023 AIRPORT IMPROVEMENT PROGRAM (AIP)

GRANT AGREEMENT

Part I - Offer

Federal Award Offer Date	May 15, 2023
Airport/Planning Area	Salina Regional
AIP Grant Number	3-20-0072-048-2023
Unique Entity Identifier	U52XQG5AF6N9

TO: Salina Airport Authority
(herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.)

FROM: **The United States of America** (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated **March 31, 2023**, for a grant of Federal funds for a project at or associated with the **Salina Regional Airport**, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the **Salina Regional Airport** (herein called the "Project") consisting of the following:

**Rehabilitate Runway 12/30 (6,510' x 100', Mill and Overlay),
Rehabilitate Runway 12/30 Edge Lighting, Reconstruct Runway 12/30 Lighted Guidance Signs and
Remove Excess Pavement (Approximately 38,700 SY) – Phase 1, Design Only**

which is more fully described in the Project Application.

NOW THEREFORE, Pursuant to and for the purpose of carrying out the Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq., and 48103; FAA Reauthorization Act of 2018 (Public Law Number 115-254); the Department of Transportation Appropriations Act, 2021 (Public Law 116-260, Division L); the Consolidated Appropriations Act, 2022 (Public Law 117-103); Consolidated

Appropriations Act, 2023 (Public Law 117-328); and the representations contained in the Project Application; and in consideration of: (a) the Sponsor's adoption and ratification of the Grant Assurances attached hereto; (b) the Sponsor's acceptance of this Offer; and (c) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurance and conditions as herein provided;

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay Ninety (90%) of the allowable costs incurred accomplishing the Project as the United States share of the Project.

Assistance Listings Number (Formerly CFDA Number): 20.106

This Offer is made on and SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is **\$315,450.00.**

The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):

\$0 for planning

\$315,450.00 for airport development or noise program implementation; and,

\$0 for land acquisition.

2. **Grant Performance.** This Grant Agreement is subject to the following Federal award requirements:

- a. Period of Performance:

1. Shall start on the date the Sponsor formally accepts this Agreement and is the date signed by the last Sponsor signatory to the Agreement. The end date of the Period of Performance is 4 years (1,460 calendar days) from the date of acceptance. The Period of Performance end date shall not affect, relieve, or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.
2. Means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions or budget periods (2 Code of Federal Regulations (CFR) § 200.1).

- b. Budget Period:

1. For this Grant is 4 years (1,460 calendar days) and follows the same start and end date as the Period of Performance provided in paragraph (2)(a)(1). Pursuant to 2 CFR § 200.403(h), the Sponsor may charge to the Grant only allowable costs incurred during the Budget Period.
2. Means the time interval from the start date of a funded portion of an award to the end date of that funded portion during which the Sponsor is authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to 2 CFR § 200.308.

- c. Close Out and Termination:

1. Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 120 calendar days after the end date of the period of performance. If the Sponsor does not submit all required closeout documentation within this time period, the FAA will proceed to close out the grant within one year of the Period of Performance end date with the information available at the end of 120 days. (2 CFR § 200.344).
2. The FAA may terminate this Grant, in whole or in part, in accordance with the conditions set forth in 2 CFR § 200.340, or other Federal regulatory or statutory authorities as applicable.
3. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the FAA has determined to be ineligible or unallowable.
4. **Indirect Costs - Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages.
5. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with 49 U.S.C. § 47109, the regulations, policies, and procedures of the Secretary of Transportation ("Secretary"), and any superseding legislation. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
6. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this Agreement, 49 U.S.C. Chapters 471 and 475, the regulations, and the Secretary's policies and procedures. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months or a 25 percent reduction in time devoted to the project. The report must include a reason for the project stoppage. The Sponsor also agrees to comply with the grant assurances, which are part of this Agreement.
7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before June 29, 2023 , or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner for any project upon which Federal funds have been expended. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.

10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this Grant Agreement.
11. **System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).**
 - a. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
 - b. Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit or governmental entity. A UEI may be obtained from SAM.gov at <https://sam.gov/content/entity-registration>.
12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this Agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
13. **Informal Letter Amendment of AIP Projects.** If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.

The FAA can also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of Condition No. 1, Maximum Obligation.

The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.

An informal letter amendment has the same force and effect as a formal grant amendment.
14. **Air and Water Quality.** The Sponsor is required to comply with all applicable air and water quality standards for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.
15. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
16. **Buy American.** Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for which funds are provided under this Grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.

17. **Build America, Buy America.** The Sponsor must comply with the requirements under the Build America, Buy America Act (Public Law 117-58).
18. **Maximum Obligation Increase.** In accordance with 49 U.S.C. § 47108(b)(3), as amended, the maximum obligation of the United States, as stated in Condition No. 1, Maximum Obligation, of this Grant Offer:
 - a. May not be increased for a planning project;
 - b. May be increased by not more than 15 percent for development projects if funds are available;
 - c. May be increased by not more than the greater of the following for a land project, if funds are available:
 1. 15 percent; or
 2. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in the land.

If the Sponsor requests an increase, any eligible increase in funding will be subject to the United States Government share as provided in 49 U.S.C. § 47110, or other superseding legislation if applicable, for the fiscal year appropriation with which the increase is funded. The FAA is not responsible for the same Federal share provided herein for any amount increased over the initial grant amount. The FAA may adjust the Federal share as applicable through an informal letter of amendment.

19. **Audits for Sponsors.**

The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA. Sponsors that expend less than \$750,000 in Federal awards and are exempt from Federal audit requirements must make records available for review or audit by the appropriate Federal agency officials, State, and Government Accountability Office. The FAA and other appropriate Federal agencies may request additional information to meet all Federal audit requirements.

20. **Suspension or Debarment.** When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:

- a. Verify the non-Federal entity is eligible to participate in this Federal program by:
 1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-Federal entity is excluded or disqualified; or
 2. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or
 3. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.
- b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g., sub-contracts).

- c. Immediately disclose in writing to the FAA whenever (1) the Sponsor learns they have entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debars a contractor, person, or entity.

21. **Ban on Texting While Driving.**

- a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
 - 1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.
 - 2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - i. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - ii. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- b. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded with this Grant.

22. **Trafficking in Persons.**

- a. *Provisions applicable to a recipient that is a private entity.*
 - 1. You as the recipient, your employees, subrecipients under this Grant, and subrecipients' employees may not:
 - i. Engage in severe forms of trafficking in persons during the period of time that the Grant and applicable conditions are in effect;
 - ii. Procure a commercial sex act during the period of time that the Grant and applicable conditions are in effect; or
 - iii. Use forced labor in the performance of the Grant or any subgrants under this Grant.
 - 2. We as the Federal awarding agency, may unilaterally terminate this Grant, without penalty, if you or a subrecipient that is a private entity –
 - i. Is determined to have violated a prohibition in paragraph (a) of this Grant Condition; or
 - ii. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated a prohibition in paragraph (a) of this Grant Condition through conduct that is either –
 - a) Associated with performance under this Grant; or
 - b) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR Part 1200.

- b. *Provision applicable to a recipient other than a private entity.* We as the Federal awarding agency may unilaterally terminate this Grant, without penalty, if a subrecipient that is a private entity –
1. Is determined to have violated an applicable prohibition in paragraph (a) of this Grant Condition; or
 2. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated an applicable prohibition in paragraph (a) of this Grant Condition through conduct that is either –
 - i. Associated with performance under this Grant; or
 - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR Part 1200.
- c. *Provisions applicable to any recipient.*
1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (a) of this Grant Condition.
 2. Our right to terminate unilaterally that is described in paragraph (a) or (b) of this Grant Condition:
 - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended [22 U.S.C. § 7104(g)], and
 - ii. Is in addition to all other remedies for noncompliance that are available to us under this Grant.
 3. You must include the requirements of paragraph (a) of this Grant Condition in any subgrant you make to a private entity.
- d. *Definitions.* For purposes of this Grant Condition:
1. “Employee” means either:
 - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this Grant; or
 - ii. Another person engaged in the performance of the project or program under this Grant and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
 2. “Force labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
 3. “Private entity”:
 - i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR § 175.25.
 - ii. Includes:

- a) A nonprofit organization, including any nonprofit institute of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR § 175.25(b).
 - b) A for-profit organization.
4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. § 7102).
23. **AIP Funded Work Included in a PFC Application.** Within 90 days of acceptance of this Grant Agreement, the Sponsor must submit to the FAA an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this Grant Agreement as described in the project application. The airport sponsor may not make any expenditure under this Grant Agreement until project work addressed under this Grant Agreement is removed from an approved PFC application by amendment.
24. **Exhibit "A" Property Map.** The Exhibit "A" Property Map dated June 01, 2014, is incorporated herein by reference or is submitted with the project application and made part of this Grant Agreement.
25. **Employee Protection from Reprisal.**
- a. Prohibition of Reprisals.
 1. In accordance with 41 U.S.C. § 4712, an employee of a Sponsor, grantee, subgrantee, contractor, or subcontractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (a)(2) below, information that the employee reasonably believes is evidence of:
 - i. Gross mismanagement of a Federal grant;
 - ii. Gross waste of Federal funds;
 - iii. An abuse of authority relating to implementation or use of Federal funds;
 - iv. A substantial and specific danger to public health or safety; or
 - v. A violation of law, rule, or regulation related to a Federal grant.
 2. Persons and bodies covered. The persons and bodies to which a disclosure by an employee is covered are as follows:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Federal employee responsible for contract or grant oversight or management at the relevant agency;
 - v. A court or grand jury;
 - vi. A management official or other employee of the Sponsor, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct; or
 - vii. An authorized official of the Department of Justice or other law enforcement agency.
 - b. Investigation of Complaints.

1. **Submission of Complaint.** A person who believes that they have been subjected to a reprisal prohibited by paragraph (a) of this Condition may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
 2. **Time Limitation for Submittal of a Complaint.** A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
 3. **Required Actions of the Inspector General.** Actions, limitations, and exceptions of the Inspector General's office are established under 41 U.S.C. § 4712(b).
- c. **Remedy and Enforcement Authority.**
1. **Assumption of Rights to Civil Remedy.** Upon receipt of an explanation of a decision not to conduct or continue an investigation by the OIG, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c)(2).
26. **Co-Sponsor.** Co-Sponsors, if any, understand and agree that they jointly and severally adopt and ratify the representations and assurances contained therein and that the word "Sponsor" as used in the application and other assurances is deemed to include all Co-Sponsors.
27. **Prohibited Telecommunications and Video Surveillance Services and Equipment.** The Sponsor agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)] and 2 CFR § 200.216.
28. **Critical Infrastructure Security and Resilience.** The Sponsor acknowledges that it has considered and addressed physical and cybersecurity and resilience in their project planning, design, and oversight, as determined by the DOT and the Department of Homeland Security.

SPECIAL CONDITIONS

29. **Protection of Runway Protection Zone - Airport Property.** The Sponsor agrees to prevent the erection or creation of any structure, place of public assembly, or other use in the Runway Protection Zone, as depicted on the Exhibit "A": Property Map, except for Navigational Aids (NAVAIDS) that are fixed by their functional purposes or any other structure permitted by the FAA. The Sponsor further agrees that any existing structures or uses within the Runway Protection Zone will be cleared or discontinued by the Sponsor unless approved by the FAA.
30. **Protection of Runway Protection Zone - Easement.** The Sponsor, under the easement, agrees to take any and all steps necessary to ensure that the owner of the land within the designated Runway Protection Zone will not build any structure in the Runway Protection Zone that is an airport hazard or which might create glare or misleading lights or lead to the construction of residences, fuel handling and storage facilities, smoke generating activities, or places of public assembly, such as churches, schools, office buildings, shopping centers, and stadiums.
31. **Plans and Specifications Prior to Bidding.** The Sponsor agrees that it will submit plans and specifications for FAA review prior to advertising for bids.
32. **Design Grant.** This Grant Agreement is being issued in order to complete the design of the project. The Sponsor understands and agrees that within 2 years after the design is completed that the Sponsor will accept, subject to the availability of the amount of Federal funding identified in the Airport Capital Improvement Plan (ACIP), a grant to complete the construction of the project in order to provide a useful and useable unit of work. The Sponsor also understands that if the FAA has

provided Federal funding to complete the design for the project, and the Sponsor has not completed the design within four (4) years from the execution of this Grant Agreement, the FAA may suspend or terminate grants related to the design.

33. **Buy American Executive Orders.** The Sponsor agrees to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the Grant Assurances, terms, and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.¹

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**

Jim A. Johnson

(Signature)

Jim A. Johnson

(Typed Name)

Director, Central Region Airports Division

(Title of FAA Official)

¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

PART II - ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this Offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.²

Dated

Salina Airport Authority

.....
(Name of Sponsor)

.....
(Signature of Sponsor's Authorized Official)

By:

.....
(Typed Name of Sponsor's Authorized Official)

Title:

.....
(Title of Sponsor's Authorized Official)

² Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR’S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Kansas . Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor’s official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 referred to as the Bipartisan Infrastructure Law (BIL), Division J, Title VIII; and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.³

Dated at

By: _____
(Signature of Sponsor’s Attorney)

³ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

BASE AGREEMENT
BETWEEN
JVIATION, A WOOLPERT COMPANY, LLC
AND
SALINA AIRPORT AUTHORITY
SALINA, KANSAS

The Salina Airport Authority (the “Sponsor”), agrees to retain the firm of Jviation, A Woolpert Company, LLC (the “Engineer”) to perform the scope of engineering services as outlined below at the Salina Regional Airport (the “Site”). The term of this Base Agreement (the “Agreement”) shall become effective upon execution by the parties and will remain in effect for one (1) year or as terminated in accordance with the terms below.

SECTION 1. PROJECT LIST

1.1 This Agreement is for engineering services at the Site, which may include the following items (collectively, the “Project”):

Runway 12/30 Pavement and Lighting Rehabilitation

SECTION 2. SCOPE OF SERVICES

The engineering services to be provided in connection with the Project are described in the attached Exhibit A hereto (such services collectively, when and as specified in Amendments and SOWs, the “Services”).

2.1 Basic Services. Engineer may provide the following services if included in a SOW:

2.1.1 Assist the Sponsor in the preparation of the pre-application, program sketch, program narrative, and engineer’s estimate, required statements and notifications, the environmental documentation, and state and regional reviews as required.

2.1.2 Consult/coordinate with the airport authority, airport staff, users, city, county, and other interested parties;

2.1.3 Planning, procuring, and/or preparing necessary surveys, geotechnical engineering investigations, field investigations, and architectural and engineering studies required for design considerations;

2.1.4 Review, and revise as necessary, the airport drawings which provide the basis for the project design;

2.1.5 Prepare preliminary Plans and Specifications and cost estimates for the design and construction;

2.1.6 Provide an acceptable airport layout plan, including exhibits and associated drawings, as required;

2.1.7 Prepare and submit final Plans and Specifications and other contract documents for approval by the Sponsor and (as required) to the FAA prior to advertising for bids;

2.1.8 Prepare a design engineer’s report, including estimates of final quantities and opinion of probable construction costs. The report will be submitted with the final Plans and Specifications to the Sponsor and when applicable to the FAA;

2.1.9 Prepare or assist in the preparation of an application for federal funds and a property map;

2.1.10 Prepare Construction Safety and Phasing Plan (CSPP);

2.1.11 Coordinate the establishment of bid proposals into schedules to allow flexibility of award to match the funds available;

2.1.12 Provide complete sets of approved Plans and Specifications and other contract documents for bidding the project;

2.1.13 Arrange for and conduct a pre-bid conference and job showing;

2.1.14 Assist with the bid opening and processing of bid documents and make recommendations to the Sponsor for award of contract schedules;

2.1.15 Perform miscellaneous engineering services, e.g. hydrology studies, as requested by airport management.

2.2 Special Services. The Engineer may also provide the following special Services:

2.2.1 Topographic surveys (for design), including performing topographic surveys of proposed construction areas as required for design.

SECTION 3. COMPENSATION AND PAYMENT

The Sponsor agrees to pay the Engineer for the services listed in the following manner:

PART A - BASIC SERVICES

DESIGN

Preliminary Design	Lump sum of \$55,454.75
Design.....	Lump sum of \$236,594.75
Bidding	Lump sum of \$29,397.00
 TOTAL BASIC SERVICES.....	 Lump sum of \$321,446.50

Method of payment shall be as follows:

If work is abandoned, or terminated, after obtaining approval by the Sponsor of the final construction plans and specifications, the Sponsor shall reimburse up to 100 percent of the total lump sum as listed under PART A, and 100 percent of the invoiced costs for soils and pavement investigations, topographic surveys, and hydrological studies, or other studies as listed under PART B.

The FAA’s federal action is limited to airport layout plan (ALP) approval of only those portions of projects that meet the criteria established in 49 U.S.C. §47107(a)(16)(B),

commonly referred to as Section 163(d) of the FAA Reauthorization Act of 2018. If it is determined that the FAA does not have authority over a portion of the project and associated work completed ahead of the determination is no longer FAA eligible, the Sponsor will remain responsible for this portion of the work.

PART B - SPECIAL SERVICES

The maximum estimated SPECIAL SERVICES engineering is as follows:

DESIGN SURVEY

Design SurveyLump sum of \$36,392.75

GEOTECHNICAL INVESTIGATION

Geotechnical Investigation.....Lump sum of \$2,000.00

TOTAL SPART B SERVICESLump sum of \$38,392.75

TOTAL..... \$359,839.25

3.1 Method of Compensation. Exhibit B identifies the Services, the type of compensation, the applicable rates, and the reimbursable expenses.

3.1.1 For performance of Services included as “Lump Sum” items, which shall be defined and delineated in advance, payment to the Engineer will be made on the basis of a lump sum. The agreed lump sum shall represent full payment for all payroll, overhead, profit, and other direct non-salary expenses as hereinafter described. The lump sum will neither increase nor decrease unless there is a Change in Scope (as defined below). In that event, the lump sum would be subject to re-negotiation, and Engineer will prepare and submit a supplemental Amendment for Sponsor’s approval.

3.1.2 For performance of Services included as “Cost-Plus-a-Fixed-Fee” items, the Sponsor shall reimburse the Engineer for allowable costs such as salary, overhead, and direct non-salary expenses, plus a fixed fee.

- (A) The rates are identified on Exhibit B, Established Hourly Rate Schedule, and hereby incorporated. The rates set forth in Exhibit B are subject to annual revision by the Engineer. Annual revision must be provided to Sponsor in writing.
- (B) The overhead rate is 199.73%, and is subject to annual revision by the Engineer. Annual revision must be provided to Sponsor in writing.
- (C) The fixed fee is 20% of labor costs, and is subject to annual revision by the Engineer. Annual revision must be provided to Sponsor in writing.

An increase in costs over the original contract value can occur for several reasons including, but not limited to, poor performance of construction contractor that results in additional inspection and oversight efforts; increase in construction contract time due to weather events that exceed the norm for the location; and added scope of work or services.

On occasion, the Engineer is called upon to continue technical inspection services on construction contracts overrunning the program schedule contemplated at the time of negotiation. In most instances, the time element is beyond the control of the Engineer. In this instance the Engineer must be reimbursed for services in excess of the specified period of time agreed upon in this Agreement at a mutually acceptable fee negotiated at the time all the pertinent circumstances are known. The cost of additional Engineer technical inspection services that result from contractor caused construction delays will be included in the liquidated damages established for construction contracts.

3.2 Expenses. Sponsor shall pay all publishing costs for advertisements of notices, public hearings, requests for bids, and other similar items; shall pay for all permits and licenses that may be required by local, state, or federal authorities; and shall secure the necessary land, easements, and rights-of-way required for the Project.

3.3 Payment Schedule.

3.3.1 For performance of the Services described in this Agreement, Sponsor shall pay the compensation set forth in monthly increments over the period of performance of the Services, based on percentage completed unless other specific payment schedules are mutually agreed to and set forth.

3.3.2 Payments for all Services performed pursuant to this executed Agreement shall be due within thirty (30) days after the receipt of invoices. If the Sponsor disputes any portion of an invoice, it shall not be relieved of the responsibility of paying the undisputed portion thereof.

3.4 Changes in Scope.

3.4.1 It is mutually understood and agreed that the Sponsor will compensate Engineer for Services resulting from significant changes in general scope of the Project or its design, including changes in size, complexity, project schedules, character of construction, revisions to previously accepted studies, reports, design documents for contract documents and for preparation of documents for separate bids (collectively, "Changes in Scope"), only when:

- (A) Such revisions are due to causes beyond the Engineer's control,
- (B) The Sponsor has authorized the additional work in an executed Amendment.

3.4.2 Compensation for such extra work when authorized by the Sponsor shall be established in each Amendment.

SECTION 4. CONTRACT DOCUMENTS

4.1 For purposes of this Agreement, the "Plans and Specifications" means all engineering designs, plans, drawings, specifications, and other reports that the Engineer delivers to the Sponsor in connection with the Project.

4.2 Technical Information. The Sponsor shall make available to the Engineer all technical data that is in the Sponsor's possession including maps, surveys, property descriptions, borings, and other information required by the Engineer and relating to the Site, the Project, and the Services.

4.3 Approval of Plans and Specifications. The Sponsor shall cooperate with the Engineer in the approval of the Plans and Specifications, or should any part of such Plans and Specifications be

disapproved, shall make a timely decision in order that no undue expense will be caused the Engineer because of lack of decisions. If the Engineer is caused to incur other expenses such as extra drafting, due to changes ordered by the Sponsor after completion and approval of the plans and specifications, the Engineer shall be equitably paid for such extra expenses and services involved.

4.4 Construction Cost Opinion. Upon request by Sponsor, the Engineer shall prepare an opinion of probable construction costs, representing Engineer's reasonable judgment as a design professional (a "Cost Report"). Such Cost Report shall be provided for Sponsor's internal use and guidance only, and under no circumstances does Engineer guarantee the accuracy of the Cost Report as compared to contractor bids or actual cost to the Sponsor. Sponsor acknowledges that Engineer has no control over the actual costs of labor or materials, or over competitive bidding or market conditions.

4.5 Ownership of Plans. The original Plans and Specifications shall remain the property of the Engineer. However, reproducible copies of drawings and copies of other pertinent data will be made available to the Sponsor upon request. The Sponsor may not reuse the Plans and Specifications for any purpose other than the Project except upon (A) prior written consent of Engineer, and (B) Sponsor's agreement to indemnify, defend and hold Engineer harmless for any liability resulting from such reuse.

4.6 Delivery of Plan. The Engineer shall deliver to the Sponsor: (A) one (1) hard-copy of the final Plans and Specifications, and (B) the final Plans and Specifications in electronic form, in a reproducible and modifiable format as reasonably requested by the Sponsor (such as, for example, AutoCAD, MicroStation or other computer aided design files).

SECTION 5. FEDERAL COMPLIANCE

Engineer represents and covenants to Sponsor as follows:

5.1 The Sponsor, the FAA, and the Comptroller General of the United States or any of their designated representatives shall have access to any books, documents, papers and records of the Engineer which are directly pertinent to the grant program for the purpose of audit examination, excerpts, and transcriptions.

5.2 The Engineer has formulated, adopted, and actively maintains an affirmative action plan in compliance with Executive Order No. 11246 entitled, "Equal Employment Opportunity." The Engineer does not discriminate on the basis of race, color, religion, creed, national origin, sex or age. Goals and targets are specified in the affirmative action plan to assure its implementation.

5.3 All services performed shall be in conformance with any and all applicable rules and regulations of the FAA.

5.4 It is the policy of the DOT that "Disadvantaged Business Enterprises" (as defined in 49 CFR Part 26) shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds, and the requirements of 49 CFR Part 6 shall apply to this Agreement.

5.5 The Engineer shall ensure that Disadvantaged Business Enterprises have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds. In this regard, all Contractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that Disadvantaged Business Enterprises have

the maximum opportunity to compete for and perform in the award and performance of DOT assisted contracts.

SECTION 6. INSURANCE

6.1 The Engineer shall procure and maintain at its expense during the term of this Agreement the following insurance from insurance companies authorized to do business in the State in which the Site is located, covering all operations and services under this Agreement performed by Engineer.

6.1.1 Worker's compensation and Employer's Liability insurance in accordance with the provisions of applicable law.

6.1.2 Commercial general liability in amounts not less than \$1 million combined single limit per occurrence and \$2 million aggregate for bodily injury, personal injury, and property damage with endorsements to include contractual liability. Engineer shall name Sponsor as Additional Insured for ongoing operations, to the extent permitted by law. Coverage shall be primary.

6.1.3 Automobile liability, bodily injury and property damage with a limit of \$1 million for occurrence, combined single limit including owned, hired and non-owned autos.

6.1.4 Professional liability insurance in amounts not less than \$1 million per claim and annual aggregate.

6.2 The Engineer shall furnish to the Sponsor a certificate or certificates of insurance showing compliance with this Section 6.

6.2.1 To the extent commercially available to Engineer from its current insurance company, insurance policies required under subsection shall contain a provision that the insurance company or its designee must give the Sponsor written notice transmitted in paper or electronic format: (a) 30 Days before coverage is non-renewed by the insurance company and (b) within 10 Business Days after cancellation of coverage by the insurance company.

SECTION 7. STANDARD OF CARE

7.1 The Services shall be performed in accordance with that degree of care and skill ordinarily exercised by members of the engineering profession, performing similar services in the same locality, and under the same or similar circumstances and conditions as of the date that such Services are performed. Engineer's sole liability to Sponsor for any non-conforming Services or work shall be to correct the defective item.

7.2 The remedies provided above are the Sponsor's sole remedies for any failure of Engineer to comply with its obligations. Correction of any nonconformity or reimbursement to Sponsor in the manner and for the period of time provided above shall constitute complete fulfillment of all the liabilities of the Engineer for defective or nonconforming Services, whether the claims of the Sponsor are based in contract, in tort (including negligence and strict liability), or otherwise with respect to or arising out of work performed hereunder.

SECTION 8. FORCE MAJEURE

Any delay or failure of engineer in the performance of its required obligations hereunder shall be excused if and to the extent caused by acts of God, war, riot, strike, fire, storm, flood, windstorm, discovery or uncovering of hazardous or toxic materials or causes beyond the reasonable control of

the Engineer, provided that prompt written notice of such delay or suspension given by the Engineer to the Sponsor. Upon receipt of said notice, if necessary, the time for performing shall be extended for a period of time reasonably necessary to overcome the effect of such delays and Engineer shall be reimbursed for the cost of such delays.

SECTION 9. TERMINATION

9.1 Termination by Sponsor. Upon five (5) business days written notice to Engineer, Sponsor may terminate the Engineer's right to proceed further with the Project and Services under this Agreement or any Amendment. In the event of such termination, Sponsor may take possession of the Project in such manner as Sponsor may deem expedient, but Engineer shall not be liable to the Sponsor for any excess cost of completion of any Services, Sponsor shall reimburse the Engineer for all costs associated with the cessation of Services, plus that portion of the Services performed prior to the date of such termination, and Sponsor shall thereafter assume all obligations, commitments, or other liabilities that the Engineer shall have theretofore incurred or made in connection with its performance of the Services and for which Engineer has not been paid and released.

9.2 Termination by Engineer. If work on the Project shall be delayed for more than 30 calendar days of account of one or more of the occurrences set forth in Section 8, or if Sponsor shall fail to pay the Engineer in accordance with the terms of Section 3, the Engineer may, at its option, upon five (5) business days written notice to Sponsor, terminate this Agreement. In the event of any such termination, Sponsor shall reimburse the Engineer for all costs of performance of the Services as the Engineer may have incurred on account of such delays. Sponsor shall thereafter assume all obligations, commitments, or other liabilities that Engineer shall have previously incurred or made in connection with its performance of the Services and for which the Engineer has not been paid and released.

9.3 Termination Without Cause. Either party may terminate this Agreement upon thirty (30) days prior written notice to the other party. In the case of such termination, Engineer shall be paid for all Services performed prior to the termination date.

SECTION 10. INDEMNIFICATION

10.1 General Liability Indemnification. Each party (the "Indemnifying Party") to the fullest extent permitted by law, shall indemnify, defend, and hold harmless the other party (the "Indemnified Party") their consultants and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of the Indemnifying Party, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this paragraph.

10.2 Professional Liability Indemnification. To the fullest extent permitted by applicable law, the Engineer agrees to indemnify and hold the Sponsor harmless from and against any liabilities, claims, damages and costs (including reasonable attorney's fees) to the extent caused by the negligence of the Engineer in performance of professional services under this Agreement. In no event shall the indemnification obligation extend beyond the date when the institution of legal or equitable

proceedings for professional negligence would be barred by an applicable statute of repose or statute of limitations

10.3 Damages Waiver. Neither party to this Agreement shall be liable to the other for any indirect, incidental, consequential, exemplary, punitive or special damages or loss of income, profit or savings of any party, including third parties, arising directly or indirectly from the parties' relationship under this Agreement or applicable law, including claims based on contract, equity, negligence, intended conduct, tort, or otherwise (including breach of warranty, negligence, and strict liability in tort).

SECTION 11. MISCELLANEOUS

11.1 Interpretation. In this Agreement, unless a clear contrary intention appears, (a) words used with initial-capitalized letters shall have the definitions set forth herein, (b) the term "or" shall not be used in an exclusive manner, (c) reference to any gender includes each other gender; (d) reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or modified and in effect from time to time in accordance with the terms thereof; (e) "including" (with any correlative meaning "include") means including without limitation the generality of any description preceding such term; and (f) the headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement.

11.2 Notices. All notices, reports, records, or other communications which are required or permitted to be given to the parties under this Agreement shall be sufficient in all respects if given in writing and delivered in person, by facsimile, by electronic mail (return receipt requested), overnight courier, or by certified mail, to the receiving party at the following address:

If to Sponsor: Salina Regional Airport
3237 Arnold Ave, Salina, KS 67401
Attention: Michelle Swanson
Telephone: (785) 827-3914
Email: shellis@salair.org

If to Engineer: Jviation, A Woolpert Company, LLC
720 S. Colorado Blvd, Ste. 1200-S
Attention: Alex Nodich, PE
Telephone: 303-947-9278
Email: alex.nodich@woolpert.com

or to such other address as such party may have given to the other by notice pursuant to this Section. Notice shall be deemed given on the date of delivery.

11.3 Disputes. This Agreement is made under and shall be governed by and construed in accordance with the internal laws of the State of Kansas. Any controversy or claim arising out of or related to this Agreement shall be resolved by binding arbitration in accordance with the then-effective rules of the American Arbitration Association ("AAA") and limited discovery shall be permitted. Upon notification by a party of such party's intention to arbitrate a dispute (the "Notice Date"), each party shall select one arbitrator, and the two arbitrators so chosen shall select one arbitrator. Each of the arbitrators chosen shall be impartial and independent of the parties. If a party fails to select an arbitrator within twenty days after delivery of the Notice Date, or if the arbitrators chosen fail to select a third arbitrator within twenty days after being chosen, then any party may in writing request the judge of the United States District Court closest to Salina, Kansas senior in term of service to appoint the arbitrator or arbitrators. Each arbitration hearing shall be held at a place in Salina, Kansas acceptable to a majority of the arbitrators. The decision of a

majority of the arbitrators shall be reduced to writing and shall be binding on the parties. Judgment upon the award rendered by a majority of the arbitrators may be entered and execution had in any court of competent jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement. The charges and expenses of the arbitrators shall be allocated as determined by the arbitrators.

11.4 Severability. The provisions of the Agreement are severable, and, if any provision shall be determined to be illegal or unenforceable, such determination shall in no manner affect any other provision hereof, and the remainder of this Agreement shall remain in full force and effect, provided however, that the intention and essence of this contract may still be accomplished and satisfied. In the event that any provision of the Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, Engineer and Sponsor shall negotiate an equitable adjustment in the provisions of this Agreement to preserve the purpose of this contract and maintain the allocation or risk, liabilities and obligations originally agreed upon.

11.5 Governing Law. The terms of this Agreement shall be construed and interpreted under, and all respective rights and duties of the parties shall be governed by, the laws of the State of Kansas.

11.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties and the terms and conditions hereof were negotiated between the parties on an arms-length basis and no obligation or covenant of good faith or fair dealing shall be implied or interpreted as conferring upon either party any right, duty, obligation or benefit other than expressly set forth herein. No modifications or amendments to this Agreement shall be valid unless agreed to by the parties in writing and signed by their authorized representatives.

11.7 Warranties – Exclusion or Limitation. Except as specifically provided in this Agreement, Engineer does not make, give or extend, and the Sponsor waives, any warranties, representations or guarantees of any kind or nature, express or implied, arising by law, statute, in contract, civil liability or tort, or otherwise, concerning the transaction which is the subject of the Plans and Specifications or the Services, including any performance guaranty and any implied warranty as to merchantability or fitness for a particular purpose or arising from a course of dealing or usage of trade as to any equipment, materials, or work furnished under this Agreement.

11.8 Successors; Assignment. This Agreement shall be binding upon each party and its successors and assigns. Neither the Sponsor nor the Engineer shall assign, sublet, or transfer its interest in this contract without the written consent of the other.

11.9 Counterparts and Facsimile or Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one agreement. A facsimile or other electronically delivered signature to this Agreement shall be deemed an original and binding upon the party against whom enforcement is sought.

11.10 Section 163. The FAA's federal action is limited to airport layout plan (ALP) approval of only those portions of projects that meet the criteria established in 49 U.S.C. §47107(a)(16)(B), commonly referred to as Section 163(d) of the FAA Reauthorization Act of 2018. If it is determined that the FAA does not have authority over a portion of the project and associated work completed ahead of the determination is no longer FAA eligible, the Sponsor will remain responsible for this portion of the work.

SECTION 12. FAA PROVISIONS

The parties recognize that these Federal Provisions may be revised from time to time by the Federal Government and are made part of this Agreement in Exhibit C

The parties executed this Base Agreement as of this ___ day of _____, 2023.

SPONSOR:

Salina Airport Authority

By: _____

Name: _____

Title: _____

ENGINEER:

Jviation, A Woolpert Company, LLC

By: _____

Name: Jason Virzi, PE

Title: Vice President

PROJECT BUDGET

**SALINA REGIONAL AIRPORT
SALINA AIRPORT AUTHORITY
SALINA, KANSAS**

**Runway 12/30 Rehabilitation - Design and Bidding
F.A.A. A.I.P. P.N 3-20-0072-48-2023**

March 30, 2023

COSTS:		Sponsor Funding	FAA Funding	TOTAL	
ADVERTISING AND ADMINISTRATION					
Independent Fee Estimate	\$	376.00	\$	3,384.00	\$3,760.00
Legal and Advertising		140.08		1,260.68	1,400.75
Advertising and Administration Sub-Total =	\$	516.08	\$	4,644.68	\$5,160.75
ENGINEERING SERVICES					
Basic Services	\$	32,144.65	\$	289,301.85	\$321,446.50
Special Services		3,839.28		34,553.48	38,392.75
Engineering Services Sub-Total =	\$	35,983.93	\$	323,855.33	\$359,839.25
TOTAL PROJECT COST =		\$ 36,500.00	\$ 328,500.00	\$ 365,000.00	
<i>Less proceeds from sale of AIP acquired asset from federal share</i>		(1,450.00)	(13,050.00)	(14,500.00)	
TOTAL NET PROJECT AMOUNT		\$ 35,050.00	\$ 315,450.00	\$ 350,500.00	



GOVERNMENT FINANCE OFFICERS ASSOCIATION
NEWS RELEASE

FOR IMMEDIATE RELEASE

5/9/2023

For more information contact:
Michele Mark Levine, Director/TSC
Phone: (312) 977-9700
Fax: (312) 977-4806
Email: mlevine@gfoa.org

(Chicago, Illinois)—Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to **Salina Airport Authority** for its annual comprehensive financial report for the fiscal year ended December 31, 2021. The report has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report.

The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources, and practical research for more than 21,000 members and the communities they serve.