

(PUBLISHED IN *THE HORTON HEADLIGHT* ON FEBRUARY 6, 2003)

**ORDINANCE NO. 1040**

**AN ORDINANCE OF THE CITY OF HORTON, KANSAS, AUTHORIZING IMPROVEMENTS TO THE CITY PUBLIC WATER SUPPLY SYSTEM; AND PROVIDING FOR THE PAYMENT OF THE COSTS THEREOF.**

**WHEREAS**, K.S.A. 65-163d through 65-163u, as amended (the "Act"), authorizes any municipality to acquire, construct, reconstruct, improve, equip, rehabilitate or extend all or any part of a public water supply system and to issue general obligation bonds to pay all or part of any costs thereof; and

**WHEREAS**, the City of Horton, Kansas (the "City") is a municipality within the terms of the Act and operates a public water supply system, as said term is defined in the Act (the "System"); and

**WHEREAS**, the governing body of the City hereby finds and determines that it is necessary and advisable to improve the System by (1) acquiring land, (2) engineering and constructing four wells and a well building, (3) rehabilitating existing well buildings, (4) acquiring telemetry controls and (5) constructing a 6" pipeline (collectively, the "Project"), and to provide for the payment of the costs thereof.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HORTON, KANSAS:**

**SECTION 1. Project Authorization.** It is hereby authorized, ordered and directed that the System be improved by undertaking and constructing the Project.

**SECTION 2. Project Financing.** The estimated costs of the Project and related expenses of financing the same are \$645,500. Said costs shall be paid from the proceeds of general obligation bonds of the City pursuant to the Act in an amount of not to exceed \$250,000 (the "Bonds"), with the balance expected to be paid from the proceeds of a Community Development Block Grant.

**SECTION 3. Reimbursement.** Any Bonds issued under the authority of this Ordinance may be used to reimburse expenditures made on or after the date that is 60 days before the date of this Ordinance pursuant to U.S. Treasury Regulation §1.150-2.

**SECTION 4. Effective Date.** This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City, approval by the Mayor and publication in the official City newspaper.


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**PASSED** by the governing body of the City of Horton, Kansas, on February 3, 2003 and **APPROVED** and **SIGNED** by the Mayor.

(Seal)

  
Mayor

ATTEST:

  
Clerk

### CERTIFICATE

I, hereby certify that the above and foregoing is a true and correct copy of the Ordinance No. 1040 of the City of Horton, Kansas passed by the governing body on February 3, 2003 as the same appears of record in my office.

DATED: February 3, 2003.

  
Clerk

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(PUBLISHED IN *THE HORTON HEADLIGHT* ON MARCH 20, 2003)

**ORDINANCE NO. 1041**

**AN ORDINANCE OF THE CITY OF HORTON, KANSAS, AMENDING AND SUPPLEMENTING ORDINANCE NO. 1040, AUTHORIZING IMPROVEMENTS TO THE CITY PUBLIC WATER SUPPLY SYSTEM; AND PROVIDING FOR THE PAYMENT OF THE COSTS THEREOF.**

**WHEREAS**, the City of Horton, Kansas (the "City") has, pursuant to K.S.A. 65-163d through 65-163u, as amended (the "Act"), has passed Ordinance No. 1040 (the "Authorizing Ordinance"), which authorizes the City to improve the public water supply system in the City (the "Project") and to issue general obligation bonds to pay a part of the costs thereof; and

**WHEREAS**, the City finds and determines that it is necessary to amend the Authorizing Ordinance to increase the estimated Project costs and the amount of general obligation bonds authorized thereby to pay such Project costs and related issuance costs.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HORTON, KANSAS:**

**SECTION 1. Amendment of Section 2.** Section 2 of the Authorizing Ordinance is amended to read as follows:

The estimated costs of the Project and related expenses of finance the same are \$750,000. Said costs shall be paid in part from the proceeds of general obligation bonds of the City pursuant to the Act in an amount of not to exceed \$350,000 (the "Bonds"), with the balance expected to be paid from the proceeds of a Community Development Block Grant.

**SECTION 2. Effective Date.** This amending Ordinance shall take effect and be in full force from and after its passage by the governing body of the City, approval by the Mayor and publication in the official City newspaper. The Authorizing Ordinance, as amended by this amending Ordinance, is ratified and confirmed and the Authorizing Ordinance and this amending Ordinance shall be read and construed as one ordinance.

**PASSED** by the governing body of the City of Horton, Kansas, on March 17, 2003 and **APPROVED** and **SIGNED** by the Mayor.

(Seal)

  
\_\_\_\_\_  
Mayor

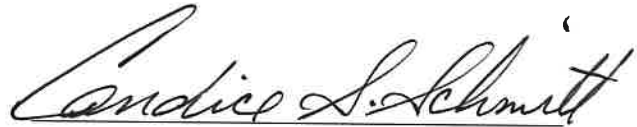
ATTEST:

  
\_\_\_\_\_  
Clerk

**CERTIFICATE**

I, hereby certify that the above and foregoing is a true and correct copy of the Ordinance No. 1041 of the City of Horton, Kansas passed by the governing body on March 17, 2003 as the same appears of record in my office.

DATED: March 17, 2003.

  
\_\_\_\_\_  
Clerk

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First Published in the Horton Headlight the 4 day of June, 2003.

ORDINANCE NO. 1043

AN ORDINANCE ON MOVING BUILDINGS IN THE CITY OF HORTON, KANSAS, AND REPEALING EXISTING SECTION 4-712 OF THE CODE OF THE CITY OF HORTON, KANSAS, 2001.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HORTON, KANSAS:

Section 1. DEMOLITION OR MOVING, REQUIREMENTS. Every person, who shall wreck, dismantle, tear down or move any house, building or other structure, shall within 90 days from the start of the work of wrecking, dismantling, tearing down or moving, unless a shorter time is specified by the permit, clear or cause to be cleared from the lot, lots or tract left vacant by such moving, all trash, debris, junk and discarded building materials not to be used immediately in rebuilding and shall remove all foundations or parts of foundations at least one foot below the existing foundation grade unless another house, building or other structure is to be erected immediately upon the foundations, as specified in the application for the permit; and shall fill in all open wells and cisterns and all cellars, basements, or other excavations remaining on such lot, lots, or tract, unless the same are to be used immediately in connection with other structures to be erected. In addition upon demolition, and prior to completion of the work of said demolition, the owner shall secure all utilities in a manner that is reasonable and standard to secure the public safety (Code 1965-4-204)

Section 2. Section 4-712 of the Code of the City of Horton, Kansas, 2001, is hereby repealed, and the foregoing shall be in full force and effect.

Section 3. This ordinance shall take effect and be in force from and after its passage, approval and publication in the official City newspaper.

PASSED BY THE GOVERNING BODY of the City of Horton, Kansas, this 2 day of June, 2003.

  
MAYOR

ATTEST TO:

  
CITY CLERK

(First Published in the Horton Headlight on July 24, 2003)

ORDINANCE NO. 1044

**AN ORDINANCE REGULATING TRAFFIC WITHIN THE CORPORATE LIMITS OF THE CITY OF HORTON, KANSAS; INCORPORATING BY REFERENCE THE "STANDARD TRAFFIC ORDINANCE FOR KANSAS CITIES," EDITION OF 2003 PROVIDING CERTAIN PENALTIES AND REPEALING ORDINANCE NUMBER 1032.**

**BE IT ORDAINED** by the Governing Body of the City of Horton, Kansas;

Section 1. **INCORPORATING STANDARD TRAFFIC ORDINANCE.** There is hereby incorporated by reference for the purpose of regulating traffic within the corporate limits of the City of Horton, Kansas, that certain standard traffic ordinance known as the "Standard Traffic Ordinance for Kansas Cities," Edition of 2003, prepared and published in book form by the League of Kansas Municipalities. No fewer than three copies of said standard ordinance shall be marked or stamped "Official Copy as Incorporated by the Code of the City of Horton, Kansas," and to which shall be attached a copy of this ordinance, and filed with the city clerk to be open to inspection and available to the public at all reasonable hours.

Section 2. **SAME; TRAFFIC INFRACTIONS AND TRAFFIC OFFENSES.**

(a) An ordinance traffic infraction is a violation of any section of this ordinance that prescribes or requires the same behavior as that prescribed or required by a statutory provision that is classified as a traffic infraction in K.S.A. Supp. 8-2118.

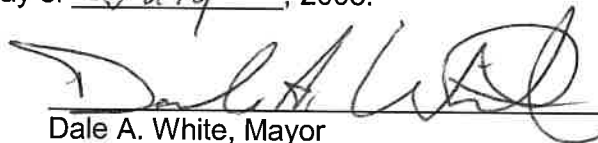
(b) All traffic violations which are included within this ordinance, and which are not ordinance traffic infractions as defined in subsection (a) of this ordinance, shall be considered traffic offenses.

Section 3. **PENALTY FOR SCHEDULED FINES.** The fine for violation of an ordinance traffic infraction or any other traffic offense for which the municipal judge establishes a fine in a fine schedule shall not be less than \$10 nor more than \$30, except for speeding which shall not be less than \$10 nor more than \$500. A person tried and convicted for violation of an ordinance traffic infraction or other traffic offense for which a fine has been established in a schedule of fines shall pay a fine fixed by the court not to exceed \$500.

Section 4. **REPEAL.** Ordinance number 1032 is repealed.

Section 5. **EFFECTIVE DATE.** This ordinance shall take effect and be in force from and after its publication in the official city newspaper.

Passed by the Commission the 21 day of July, 2003.

  
\_\_\_\_\_  
Dale A. White, Mayor

Seal:

Attest:

  
\_\_\_\_\_  
Candice S. Schmitt, City Clerk

(First Published in the Horton Headlight on August 7, 2003)

**ORDINANCE NO. 1045**

**AN ORDINANCE REGULATING PUBLIC OFFENSES WITHIN THE CORPORATE LIMITS OF THE CITY OF HORTON, KANSAS; INCORPORATING BY REFERENCE THE "UNIFORM PUBLIC OFFENSE CODE FOR KANSAS CITIES," EDITION OF 2003.**

**BE IT ORDAINED** by the Governing Body of the City of Horton, Kansas;

Section 1. **INCORPORATING UNIFORM PUBLIC OFFENSE CODE.** There is hereby incorporated by reference for the purpose of regulating public offenses within the corporate limits of the City of Horton, Kansas, that certain standard code known as the "Uniform Public Offense Code," Edition of 2003, prepared and published in book form by the League of Kansas Municipalities. No fewer than three copies of said Uniform Public Offense Code shall be marked or stamped "Official Copy as Incorporated by the Code of the City of Horton, Kansas," and to which shall be attached a copy of this ordinance, and filed with the city clerk to be open to inspection and available to the public at all reasonable hours.

Section 4. **REPEAL.** Ordinance number 1033 is repealed.

Section 5. **EFFECTIVE DATE.** This ordinance shall take effect and be in force from and after its publication in the official city newspaper.

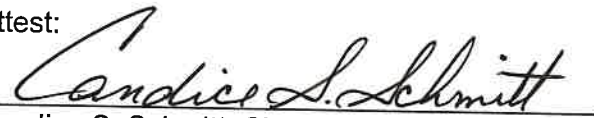
Passed by the Commission the 4 day of August, 2003.



Dale A. White, Mayor

Seal:

Attest:

  
Candice S. Schmitt, City Clerk

ORDINANCE NUMBER 1046

AN ORDINANCE ATTESTING TO AN INCREASE IN TAX REVENUES FOR BUDGET YEAR 2004 FOR THE CITY OF HORTON

WHEREAS, the City of Horton must continue to provide services to protect the health, safety, and welfare of the citizens of this community; and

WHEREAS, the cost of providing essential services to the citizens of this city continues to increase.

NOW THEREFORE, be it ordained by the Governing Body of the City of Horton:

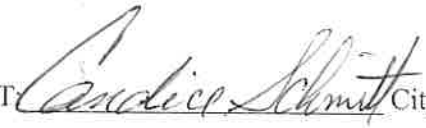
Section One. In accordance with state law, the City of Horton has scheduled a public hearing and has prepared the proposed budget necessary to fund city services from January 1, 2004 until December 31, 2004.

Section Two. After careful public deliberations, the governing body has determined that in order to maintain the public services that are essential for the citizens of this city, it will be necessary to budget property tax revenues in an amount exceeding the levy in the 2003 budget.

Section Three. This ordinance shall take effect after publication once in the official city newspaper.

Passed and approved by the Governing Body on this 4th day of August, 2003.

  
Mayor

ATTEST:  City Clerk

(SEAL)

(Must be published and publication attached to budget)



**ORDINANCE NO. 1047**

**AN ORDINANCE ESTABLISHING THE HORTON SPORT SHOOTING COMPLEX ADVISORY BOARD.**

**WHEREAS**, the City of Horton has constructed a Sport Shooting Complex, along with the assistance of the Kansas Department of Parks and Wildlife and the National Guard, and

**WHEREAS**, the complex is to be used for shooting recreation, training and events, and

**WHEREAS**, the complex will need to have standard operating procedures and trained, volunteer safety and training officers, and

**WHEREAS**, the City of Horton finds it necessary to establish and appoint a seven (7) member non-compensated board to assist the City with the Shooting Complex.

The Advisory Board will give its advice, recommendations and work to the City Administrator in:

- A. Future Design
- B. Operations
- C. Coordinating/Directing Events
- D. Training
- E. Helping to Make the Complex Accessible

And, in doing the above, the board and its members, assistants, and others who volunteer their services to the Shooting Complex shall be held harmless from any and or tort or litigation arising from activities related to the Shooting Complex, and

**WHEREAS**, the Board Members, appointed by the Mayor, terms of service shall be as follows:

The term of the seven (7) persons to be appointed by the mayor shall be three (3) years except that the term of three (3) of the members of the first board shall be for only one (1) year and term of 4 members shall be for two (2) years. In the event that a vacancy occurs during the term of any member, the successor shall be appointed for the unexpired portion of the term. The board will choose its own officers, make its own rules and regulations and keep a journal of its proceedings. A majority of the membership shall be quorum for the transaction of business.

**NOW, THEREFORE**, the City Commission of the City of Horton, Kansas passes and adopts this Ordinance which shall become effective upon adoption and hereby directs the Mayor to sign on this 2<sup>nd</sup> day of September, 2003.

ATTEST

  
Candice Schmitt, City Clerk

  
Dale White, Mayor

HINKLE ELKOURI LAW FIRM L.L.C.

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ORDINANCE NO. 1048

OF

THE CITY OF HORTON, KANSAS

AUTHORIZING THE ISSUANCE OF

\$2,200,000  
CITY OF HORTON, KANSAS  
INDUSTRIAL REFUNDING AND IMPROVEMENT REVENUE BONDS  
SERIES 2003  
(HAMMERSMITH MFG. & SALES, INC.)

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(Published in *The Horton Headlight* on October 9, 2003)

ORDINANCE NO. 1048

AN ORDINANCE OF THE CITY OF HORTON, KANSAS, AUTHORIZING THE ISSUANCE OF \$2,200,000 AGGREGATE PRINCIPAL AMOUNT OF INDUSTRIAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2003 (HAMMERSMITH MFG. & SALES, INC.) FOR THE PURPOSE OF PROVIDING FUNDS TO (1) REFUND ON A CURRENT BASIS CERTAIN INDUSTRIAL REVENUE BONDS, SERIES 1996 (HAMMERSMITH MFG. & SALES, INC.) OF THE CITY AND (2) ACQUIRE, CONSTRUCT AND EQUIP CERTAIN ADDITIONS TO AN EXISTING MANUFACTURING FACILITY; PRESCRIBING THE FORM AND AUTHORIZING EXECUTION OF A TRUST INDENTURE BY AND BETWEEN THE CITY AND THE MORRILL & JANES BANK & TRUST CO., HIAWATHA, KANSAS, AS TRUSTEE; PRESCRIBING THE FORM AND AUTHORIZING THE EXECUTION OF A LEASE OF THE PROJECT BY AND BETWEEN THE CITY AND HAMMERSMITH MFG. & SALES, INC.; APPROVING THE FORM OF A GUARANTY AGREEMENT BY AND BETWEEN HAMMERSMITH MFG. & SALES, INC., AS GUARANTOR, AND THE MORRILL & JANES BANK & TRUST CO., HIAWATHA, KANSAS, AS TRUSTEE; APPROVING THE FORM OF AN INDIVIDUAL GUARANTY AGREEMENT BY AND AMONG THE INDIVIDUAL GUARANTORS AND THE MORRILL & JANES BANK & TRUST CO., HIAWATHA, KANSAS, AS TRUSTEE; AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT AMONG THE CITY, HAMMERSMITH MFG. & SALES, INC. AND RIEDL FIRST SECURITIES COMPANY OF KANSAS, INC., AS PURCHASER OF THE SERIES 2003 BONDS.

WHEREAS, the City of Horton, Kansas (the "Issuer") is authorized by K.S.A. 12-1740, *et seq.*, and K.S.A. 10-116a, all as amended (the "Act"), to acquire, construct, improve and equip certain facilities (as defined in the Act) for commercial, industrial and manufacturing purposes, and to enter into lease and lease-purchase agreements with any person, firm or corporation for said facilities, to issue revenue bonds for the purpose of paying the cost of any such facilities and to refund any such revenue bonds previously issued; and

WHEREAS, the Issuer has heretofore issued its Industrial Revenue Bonds, Series 1996 (Hammersmith Mfg. & Sales, Inc.) in the original aggregate principal amount of \$2,000,000 (the "1996 Bonds"), for the purpose of providing funds to finance the cost of constructing and equipping certain improvements (the "1996 Project") to an existing manufacturing facility; and

WHEREAS, the Issuer has heretofore and does hereby find and determine that it is desirable that the Issuer issue its industrial refunding and improvement revenue bonds designated "City of Horton, Kansas, Industrial Refunding and Improvement Revenue Bonds, Series 2003 (Hammersmith Mfg. & Sales, Inc.)" in the aggregate principal amount of \$2,200,000 (the "2003 Bonds"), for the purposes of (i) refunding and redeeming on a current basis the 1996 Bonds and (ii) acquiring, constructing and equipping certain additions to an existing manufacturing facility (the "2003 Additions") (the existing manufacturing facilities, 1996 Project and the 2003 Additions being collectively referred to herein as the "Project"); and

WHEREAS, the 2003 Bonds and the interest thereon shall not constitute an indebtedness of the Issuer within the meaning of any constitutional provision or statutory limitation, shall not constitute nor give rise to a pecuniary liability of the Issuer, nor shall any Bond or the interest thereon be a charge against the general credit or taxing powers of the Issuer, but shall be payable solely from certain fees, rentals, revenues and other amounts derived by the Issuer pursuant to the Lease (hereinafter defined) and, under certain circumstances, from the proceeds of the 2003 Bonds and insurance and condemnation awards; and

WHEREAS, the Issuer further finds and determines that it is necessary and desirable in connection with the issuance of said 2003 Bonds (1) to execute and deliver a Trust Indenture dated as of October 15, 2003 (the "Indenture"), with The Morrill & Janes Bank & Trust Co., Hiawatha, Kansas, as Trustee (the "Trustee"), for the purpose of issuing and securing the 2003 Bonds as provided therein; (2) to enter into a Lease dated as of October 15, 2003 (the "Lease"), with Hammersmith Mfg. & Sales, Inc., a Kansas corporation (the "Tenant"), pursuant to which the Issuer shall cause the Project to be acquired, constructed and equipped and the entire Project leased to the Tenant in consideration of payments of Basic Rent, Additional Rent and other charges provided for therein; and (3) to execute and deliver a Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the Tenant and Riedl First Securities Company of Kansas, Inc., as purchaser of the Series 2003 Bonds; and

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HORTON, KANSAS AS FOLLOWS:

Section 1. Definition of Terms. All terms and phrases not otherwise defined herein shall have the respective meanings set forth in the Indenture and Lease herein authorized.

Section 2. Authority to Refund the 1996 Bonds. The governing body of the Issuer hereby authorizes the current refunding of the 1996 Bonds in accordance with the provisions of the Indenture, all as provided herein and in the Indenture and the Lease hereinafter authorized, and hereby ratifies any necessary instructions to the Trustee concerning the issuance of a conditional call notice for the 1996 Bonds prior to the effective date hereof.

Section 3. Authority to Cause the 2003 Additions to be Acquired, Constructed and Equipped. The governing body of the Issuer hereby declares that the 2003 Additions, if in being,

would promote the welfare of the City of Horton, Kansas, and the Issuer is hereby authorized to cause the 2003 Additions to be acquired, constructed and equipped all in the manner as more particularly described in the Indenture and in the Lease hereinafter authorized.

Section 4. Authorization of and Security for the 2003 Bonds. There are hereby authorized and directed to be issued a single series of bonds to be designated "City of Horton, Kansas, Industrial Refunding and Improvement Revenue Bonds, Series 2003 (Hammersmith Mfg. & Sales, Inc.);" in the aggregate principal amount of \$2,200,000 (the "2003 Bonds"). The 2003 Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Indenture. The 2003 Bonds shall be special limited obligations of the Issuer payable solely from the revenues derived by the Issuer pursuant to the Lease, or otherwise in connection with the Project. The 2003 Bonds shall not be general obligations of or constitute a pledge of the faith and credit of the Issuer within the meaning of a constitutional or statutory provision and shall not be payable in any manner from tax revenues.

Section 5. Authorization of the Indenture. The Issuer is hereby authorized to enter into and deliver the Trust Indenture dated as of October 15, 2003, by and between the Issuer and The Morrill & Janes Bank & Trust Co., Hiawatha, Kansas, as Trustee, under which the Issuer shall pledge and assign to the Trustee, for the benefit of the holders of the 2003 Bonds, the Trust Estate created thereby, upon the terms and conditions set forth in said Indenture.

Section 6. Lease of the Project. The Issuer shall cause the Project to be leased by the Issuer to the Tenant pursuant to and in accordance with the provisions of, and is hereby authorized to enter into, the Lease Agreement dated as of October 15, 2003 (the "Lease"), by and between the Issuer and the Tenant.

Section 7. Approval of the Form of Guaranty Agreement. The form of the Guaranty Agreement dated as of October 15, 2003 (the "Guaranty Agreement"), pursuant to which the Tenant, as Guarantor, guarantees to the Trustee, for the benefit of the Issuer and the owners of the 2003 Bonds, the full and prompt payment of the principal of, redemption premium, if any, and interest on the 2003 Bonds, is hereby approved.

Section 8. Approval of the Form of Individual Guaranty Agreement. The form of the Individual Guaranty Agreement dated as of October 15, 2003 (the "Individual Guaranty Agreement"), pursuant to which Dennis L. and Evelyn Hammersmith, Edward A. and Marian Hammersmith, and John D. and Theresa Hammersmith, as Individual Guarantors, guarantee to the Trustee, for the benefit of the Issuer and the owners of the 2003 Bonds, the full and prompt payment of the principal of, redemption premium, if any, and interest on the 2003 Bonds, is hereby approved.

Section 9. Authorization of Bond Purchase Agreement. The Series 2003 Bonds shall be sold and delivered to Riedl First Securities Company of Kansas, Inc., Wichita, Kansas, upon the

terms and subject to the provisions of the Bond Purchase Agreement dated as of October 15, 2003, by and among the Issuer, the Tenant and Riedl First Securities Company of Kansas, Inc., as Purchaser.

Section 10. Authorization of Tax Compliance Agreement. The Issuer is authorized to execute and deliver a Tax Compliance Agreement dated as of October 15, 2003 (the "Tax Compliance Agreement") by and among the Issuer, the Tenant and the Trustee relating to compliance with applicable provisions of the Internal Revenue Code of 1986, as amended, with respect to the 2003 Bonds.

Section 11. Execution of 2003 Bonds and Agreements. The Mayor of the Issuer is hereby authorized and directed to execute the 2003 Bonds and deliver the same to the Trustee for authentication for and on behalf of and as the act and deed of the Issuer in the manner provided in the Indenture. The Mayor or Vice Mayor are hereby further authorized and directed to execute and deliver the Indenture, the Lease, the Tax Compliance Agreement and the Bond Purchase Agreement for and on behalf of and as the act and deed of the Issuer, with such minor corrections or amendments thereto as the Mayor or Vice Mayor shall approve, which approval shall be evidenced by his execution thereof, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Ordinance (including such documents as may be necessary to effect the termination of agreements entered into in connection with the 1996 Bonds). The City Clerk of the Issuer, or any deputy thereof or assistant thereto, is hereby authorized and directed to attest the execution of the 2003 Bonds, the Indenture, the Lease, the Tax Compliance Agreement and the Bond Purchase Agreement, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance (including such documents as may be necessary to effect the termination of agreements entered into in connection with the 1996 Bonds).

Section 12. Pledge of the Project. The Issuer hereby pledges the Project to the payment of the 2003 Bonds in accordance with K.S.A. 12-1744. The lien created by such pledge shall be discharged when all of the 2003 Bonds shall be deemed to have been paid within the meaning of the Indenture.

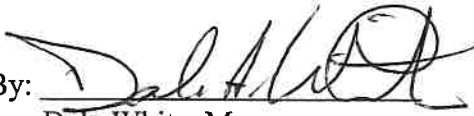
Section 13. Further Authority. The Issuer shall, and the officers, agents and employees of the Issuer are hereby authorized and directed to, take such action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the provisions of this Ordinance and to carry out, comply with and perform the duties of the Issuer with respect to the redemption of the 1996 Bonds, the 2003 Bonds, the Indenture, the Lease, the Tax Compliance Agreement and the Bond Purchase Agreement all as necessary to carry out and give effect to the transactions contemplated hereby and thereby.

Section 14. Effective Date. This Ordinance shall take effect and be in full force from and after its adoption by the governing body of the Issuer and publication once in the official newspaper of the Issuer.


*[Remainder of page left blank intentionally]*

PASSED AND APPROVED by the governing body of the City of Horton, Kansas, as this 6th day of October, 2003.

CITY OF HORTON, KANSAS

By:   
Dale White, Mayor

ATTEST:

  
Candy Schmitt, City Clerk

(Seal)



ORDINANCE NO.1049

AN ORDINANCE AMENDING ORDINANCE NO. 1026 RELATING TO A  
FRANCHISE AGREEMENT WITH SPRINT PURSUANT TO K.S.A. 12-2001.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HORTON,  
KANSAS:

Section 1. As used in this ordinance, the term "gross receipts" shall mean:

"Gross receipts" means only those receipts collected from within the corporate boundaries of the city enacting the franchise and which are derived from the following: (A) Recurring local exchange service for business and residence which includes basic exchange service, touch tone, optional calling features and measured local calls; (B) recurring local exchange access line services for pay phone lines provided by a telecommunications local exchange service provider to all pay phone service providers; (C) local directory assistance revenue; (D) line status verification/busy interrupt revenue; (E) local operator assistance revenue; and (F) nonrecurring local exchange service revenue which shall include customer service for installation of lines, reconnection of service and charge for duplicate bills. All other revenues, including, but not limited to, revenues from extended area service, the sale or lease of unbundled network elements, nonregulated services, carrier and end user access, long distance, wireless telecommunications local exchange service provider, private line service arrangements, internet, broadband and all other services not wholly local in nature are excluded from gross receipts. Gross receipts shall be reduced by bad debt expenses. Uncollectible and late charges shall not be included within gross receipts. If a telecommunications local exchange service provider offers additional services of a wholly local nature, which if in existence on or before July 1, 2002, would have been included with the definition of gross receipts, such services shall be included from the date of the offering of such services in the city.

Section 2. This ordinance shall take effect upon publication in the official City newspaper.

PASSED BY THE GOVERNING BODY of the City of Horton, Kansas, this -  
3 day of November, 2003.

(SEAL)

  
MAYOR

ATTEST:

  
CITY CLERK