

NOTICE OF BOND SALE

WATER DISTRICT NO. 1 OF JOHNSON COUNTY, KANSAS

\$19,115,000*

**WATER REVENUE REFUNDING BONDS
SERIES 2019**

Bids. Facsimile and electronic (as explained below) bids for the purchase of the above-referenced bonds (the “2019 Bonds”) of Water District No. 1 of Johnson County, Kansas (the “Water District”) herein described will be received on behalf of the undersigned Director of Finance of the Water District at (913) 369-4428 in the case of facsimile bids, and via PARITY® in the case of electronic bids, until 11:00 a.m. applicable Central Time (the “Submittal Hour”), on

TUESDAY, NOVEMBER 12, 2019

(the “Sale Date”). All bids will be publicly evaluated at said time and place and the award of the 2019 Bonds to the successful bidder (the “Successful Bidder”) will be acted upon by the Board of the Water District (the “Governing Body”) at its meeting to be held at 7:00 p.m. on the Sale Date. No oral or auction bids will be considered. Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the 2019 Bonds.

Terms of the 2019 Bonds. The 2019 Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). The 2019 Bonds will be dated December 10, 2019 (the “Dated Date”), and will become due in principal installments semiannually on January 1 and July 1 in the years as follows:

<u>Stated Maturity</u>	<u>Principal Amount*</u>	<u>Stated Maturity</u>	<u>Principal Amount*</u>
July 1, 2020	\$250,000	January 1, 2026	\$2,590,000
January 1, 2021	1,280,000	July 1, 2026	250,000
July 1, 2021	250,000	January 1, 2027	1,340,000
January 1, 2022	1,375,000	July 1, 2027	250,000
July 1, 2022	250,000	January 1, 2028	1,400,000
January 1, 2023	1,435,000	July 1, 2028	250,000
July 1, 2023	250,000	January 1, 2029	1,440,000
January 1, 2024	1,510,000	July 1, 2029	250,000
July 1, 2024	250,000	January 1, 2030	1,485,000
January 1, 2025	2,510,000	July 1, 2030	250,000
July 1, 2025	250,000		

The 2019 Bonds will bear interest from the Dated Date at rates to be determined when the 2019 Bonds are sold as hereinafter provided, which interest will be payable semiannually on January 1 and July 1 in each year, beginning on July 1, 2020.

Adjustment of Issue Size. The Water District reserves the right to increase or decrease the total principal amount of the 2019 Bonds or the schedule of principal payments described above, depending on the purchase price and interest rates bid, the required size of the refunding escrow created for the bonds to be refunded (the “Refunded Bonds”), and the offering prices specified by the Successful Bidder. The

* Preliminary; subject to change as provided herein.

Successful Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the 2019 Bonds or the schedule of principal payments as described herein. If there is an increase or decrease in the final aggregate principal amount of the 2019 Bonds or the schedule of principal payments as described above, the Water District will notify the Successful Bidder by means of telephone or facsimile transmission, subsequently confirmed in writing, no later than 2:00 p.m. applicable Central Time, on the Sale Date. The actual purchase price for the 2019 Bonds shall be calculated by applying the percentage of par value bid by the Successful Bidder against the final aggregate principal amount of the 2019 Bonds, as adjusted, plus accrued interest from the Dated Date to the Closing Date (as hereinafter defined).

Place of Payment. The principal of and interest on the 2019 Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The principal of each 2019 Bond will be payable at maturity or earlier redemption to the owner thereof whose name is on the registration books (the “Bond Register”) of the Bond Registrar (the “Registered Owner”) upon presentation and surrender at the principal office of the Paying Agent. Interest on each 2019 Bond will be payable to the Registered Owner of such 2019 Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each interest payment date (the “Record Date”) (a) mailed by the Paying Agent to the address of such Registered Owner as 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 the 2019 Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

Bond Registration. The 2019 Bonds will be registered pursuant to a plan of registration approved by the Water District and the Attorney General of the State of Kansas (the “State”). The Water District will pay for the fees of the Bond Registrar for registration and transfer of the 2019 Bonds and will also pay for 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, will be the responsibility of the owners of such 2019 Bonds.

Book-Entry-Only System. The Depository Trust Company, New York, New York (“DTC”), will act as Securities Depository for the 2019 Bonds. The 2019 Bonds will initially be issued exclusively in “book entry” form and shall be initially registered in the name of Cede & Co., as the nominee of DTC and no Beneficial Owner will receive certificates representing their interests in the 2019 Bonds. During the term of the 2019 Bonds, so long as the book-entry-only system is continued, the Water District will make payments of principal of, premium, if any, and interest on the 2019 Bonds to DTC or its nominee as the Registered Owner of the 2019 Bonds, DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the 2019 Bonds to its participants who shall be responsible for transmitting payments to Beneficial Owners of the 2019 Bonds in accordance with agreements between such participants and the Beneficial Owners. The Water District will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as Securities Depository for the 2019 Bonds, or (b) the Water District determines that continuation of the book-entry-only form of evidence and transfer of ownership of the 2019 Bonds would adversely affect the interests of the Beneficial Owners of the 2019 Bonds, the Water District will discontinue the book-entry-only form of registration with DTC. If the Water District fails to identify another qualified Securities Depository to replace DTC, the Water District will cause to be authenticated and delivered to the Beneficial Owners replacement 2019 Bonds in the form of fully registered certificates. Reference is made to the

Official Statement for further information regarding the book-entry-only system of registration of the 2019 Bonds and DTC.

Redemption of the 2019 Bonds Prior to Maturity.

General. Whenever the Water District is to select 2019 Bonds for the purpose of redemption, it will, in the case of 2019 Bonds in denominations greater than the minimum Authorized Denomination, if less than all of the 2019 Bonds then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such fully registered 2019 Bond as though it were a separate 2019 Bond in the minimum Authorized Denomination.

Optional Redemption. At the option of the Water District, the 2019 Bonds maturing on January 1, 2027, and thereafter, will be subject to redemption and payment prior to maturity on July 1, 2026, and thereafter, as a whole or in part (selection of maturities and the amount of 2019 Bonds of each maturity to be redeemed to be determined by the Water District 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 date of redemption.

Mandatory Redemption. A bidder may elect to have all or a portion of the 2019 Bonds scheduled to mature on consecutive dates issued as term bonds (the “Term Bonds”) scheduled to mature in the latest of said consecutive dates and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all 2019 Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable paragraph on the Official Bid Form or completing the applicable information on PARITY®.

Notice and Effect of Call for Redemption. Unless waived by any owner of the 2019 Bonds to be redeemed, if the Water District shall call any 2019 Bonds for redemption and payment prior to the maturity thereof, the Water District shall give written notice of its intention to call and pay said 2019 Bonds to the Bond Registrar, any provider of municipal bond insurance for the 2019 Bonds, and the State Treasurer. In addition, the Water District shall cause the Bond Registrar to give written notice of redemption to the Registered Owners of said 2019 Bonds. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the Redemption Date. All notices of redemption shall state the Redemption Date, the redemption price, the 2019 Bonds to be redeemed, the place of surrender of the 2019 Bonds so called for redemption and a statement of the effect of the redemption. The Water District shall also give such additional notice as may be required by State law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any 2019 Bond be called for redemption and payment as aforesaid, all interest on such 2019 Bond shall cease from and after the Redemption Date, provided funds are available for its payment at the price hereinbefore specified.

Authority, Purpose and Security. The 2019 Bonds are being issued in full compliance with the provisions, restrictions and limitations of the constitution and statutes of the State, including K.S.A. 19-3501 through 19-3521b and K.S.A. 10-116a, all as amended and all other provisions of the laws of the State of Kansas applicable thereto (collectively, the “Act”). The 2019 Bonds are being issued for the purpose of refunding the Refunded Bonds. The 2019 Bonds and the interest thereon will constitute special obligations of the Water District, payable solely from, and secured as to the payment of principal and interest by a pledge of, the Pledged Revenues of the Water System as prescribed by the resolution authorizing the issuance of the 2019 Bonds (the “2019 Bond Resolution”) on a parity with the Water District’s outstanding: Water Revenue Refunding Bonds, Series 2012, dated November 8, 2012; Water Revenue Bonds, Series 2014, dated February 11, 2014; Water Revenue Refunding Bonds, Series 2017A, dated November 8, 2017; and Water Revenue Bonds, Series 2017B, dated November 8, 2017. The Bonds are special, limited

obligations of the Water District. Neither the 2019 Bonds nor the interest thereon constitute a general obligation or indebtedness of, nor is the payment thereof guaranteed by, the Water District, or any governmental subdivision, agency or instrumentality. The 2019 Bonds are not payable in any manner from tax revenues.

Submission of Bids. Facsimile bids must be made on forms which may be procured from the Municipal Advisor and shall be addressed to the undersigned, and marked "Proposal for Water Revenue Refunding Bonds, Series 2019." Facsimile bids should not be preceded by a cover sheet and should be sent only once to (913) 369-4428. Confirmation of receipt of facsimile bids may be made by contacting the Municipal Advisor at the number listed below. Electronic bids via PARITY® must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice of Bond Sale. If provisions of this Notice of Bond Sale conflict with those of PARITY®, this Notice of Bond Sale shall control. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which may be submitted separately. The Water District and Municipal Advisor shall not be responsible for failure of transmission of facsimile or delivery by mail or in person of any bid.

PARITY®. Information about the electronic bidding services of PARITY® may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

Conditions of Bids. Proposals will be received on the 2019 Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all 2019 Bonds of the same maturity; (b) no interest rate may exceed 4.00%; (c) no supplemental interest payments will be considered; and (d) each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. The difference between the highest rate specified and the lowest rate specified cannot exceed 3.00%. No bid for less than **103.00%** or more than **113.00%** of the principal amount of the 2019 Bonds will be considered. Each bid shall specify the total interest cost (expressed in dollars) during the term of the 2019 Bonds on the basis of such bid, the premium, if any, offered by the bidder, the net interest cost (expressed in dollars) on the basis of such bid, and an estimate of the TIC (as hereinafter defined) on the basis of such bid. Each bidder shall certify to the Water District the correctness of the information contained on the Official Bid Form; the Water District will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the 2019 Bonds, it will provide the certification described under the caption "Establishment of Issue Price" in this Notice.

Good Faith Deposit. Each bid for the 2019 Bonds shall be accompanied by a good faith deposit (the "Deposit") in the amount of \$382,300.00 payable to the order of the Water District to secure the Water District from any loss resulting from the failure of the bidder to comply with the terms of its bid. ***The Deposit must be received by the Water District or the Municipal Advisor prior to the Submittal Hour, unless such Deposit is submitted by wire transfer as described below, in which case the Deposit must be received by 2:00 p.m. applicable Central Time on the Sale Date.*** The Deposit may be submitted in either of the following forms:

(a) *Certified or Cashier's Check.* Certified or cashier's check drawn on a bank located in the United States of America; or

(b) *Wire Transfer.* Wire transfer in Federal Reserve funds, immediately available for use by the Water District (wire transfer information may be obtained from the Municipal Advisor at the address set forth below).

Contemporaneously with the submission of a wire transfer Deposit, such bidder shall send an email to the Water District at rperc@waterone.org and the Municipal Advisor at the email address set forth below, including the following information: (a) notification that a wire transfer has been made, including

the Fed reference number; (b) the amount of the wire transfer; and (c) return wire transfer instructions in the event such bid is unsuccessful. Checks submitted for Deposits by unsuccessful bidders will be returned; wire transfer Deposits submitted by unsuccessful bidders will not be accepted or shall be returned in the same manner received on the Sale Date. The Water District reserves the right to withhold reasonable charges for any fees or expenses incurred in returning a wire transfer Deposit. No interest on the Deposit will be paid by the Water District. If a bid is accepted, the Deposit, or the proceeds thereof, will be held by the Water District until such Successful Bidder has complied with all of the terms and conditions of this Notice at which time the amount of said Deposit shall be returned to the Successful Bidder or deducted from the purchase price of the 2019 Bonds at the option of the Water District. If a bid is accepted but the Water District fails to deliver the 2019 Bonds to the Successful Bidder in accordance with the terms and conditions of this Notice, said Deposit, or the proceeds thereof, will be returned to the Successful Bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such Deposit will be retained by the Water District as liquidated damages.

Basis of Award. Subject to the timely receipt of the Deposit set forth above, the award of the 2019 Bonds will be made on the basis of the lowest true interest cost (“TIC”), which will be determined as follows: the TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the 2019 Bonds, from the payment dates to the Dated Date, produces an amount equal to the price bid, including any adjustments for premium[or discount], if any. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. Bidders are requested to provide a calculation of the TIC for the 2019 Bonds on the Official Bid Form, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the Water District or the bidder. The Water District or its Municipal Advisor will verify the TIC based on such bids. If there is any discrepancy between the TIC specified and the bid price and interest rates specified, the specified bid price and interest rates shall govern and the TIC specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest TIC are received, the Governing Body will determine which bid, if any, will be accepted, and its determination is final.

The Water District reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any bid received after the Submittal Hour on the Sale Date will be returned to the bidder. Any disputes arising hereunder shall be governed by the laws of the State, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within the State with regard to such dispute. The award of the 2019 Bonds is predicated upon the Water District achieving a certain level of savings in conjunction with the Refunded Bonds, such amount to be solely determined by the Water District.

The Water District’s acceptance of the a Successful Bidder’s proposal for the purchase of the 2019 Bonds in accordance with this Notice of Bond Sale shall constitute a bond purchase agreement between the Water District and the Successful Bidder for purposes of the laws of the State and a contract between the Water District and the Successful Bidder for the purposes of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) and Rule G-32 of the Municipal Securities Rulemaking Board (“Rule G-32”). The method of acceptance shall be determined solely by the Governing Body.

Bond Rating. The 2019 Bonds are rated “AAA” by S&P Global Ratings, a division of S&P Global Inc.

Optional Bond Insurance. The Water District has **not** applied for any policy of municipal bond insurance with respect to the 2019 Bonds. If the 2019 Bonds qualify for municipal bond insurance, and any bidder desires to purchase such policy for the 2019 Bonds, such indication and the name of the desired insurer must be set forth on the bidder’s Official Bid Form. The Water District specifically reserves the

right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the Water District.

If a Successful Bidder elects to purchase the 2019 Bonds with municipal bond insurance, certain rating agencies will assign their ratings to the 2019 Bonds with the understanding that upon delivery of the 2019 Bonds, a policy insuring the payment when due of the principal of and interest on such 2019 Bonds will be issued by such bond insurer. All costs associated with the purchase and issuance of such municipal bond insurance policy and associated ratings and expenses (other than any independent rating requested by the Water District) shall be paid by the Successful Bidder for the 2019 Bonds. Failure of the municipal bond insurer to issue the policy after the award of the 2019 Bonds shall not constitute cause for failure or refusal by the Successful Bidder to accept delivery of such 2019 Bonds.

CUSIP Numbers. CUSIP identification numbers will be assigned and printed on the 2019 Bonds, but neither the failure to print such number on any 2019 Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the 2019 Bonds in accordance with the terms of this Notice. All expenses in relation to the assignment and printing of CUSIP numbers on the 2019 Bonds will be paid by the Water District.

Delivery and Payment. The Water District will pay for preparation of the 2019 Bonds and will deliver the 2019 Bonds properly prepared, executed and registered without cost on or about **DECEMBER 10, 2019** (the “Closing Date”) to DTC for the account of the Successful Bidder. The Successful Bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the 2019 Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the 2019 Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the 2019 Bonds shall be made in federal reserve funds, immediately available for use by the Water District. The Water District will deliver one 2019 Bond of each maturity registered in the nominee name of DTC.

Establishment of Issue Price. In order to provide the Water District with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the “Code”), the Successful Bidder will be required to assist the Water District in establishing the “issue price” of the 2019 Bonds and complete, execute and deliver to the Water District prior to the Closing Date, a written certification in a form acceptable to the Successful Bidder, the Water District and Bond Counsel (the “Issue Price Certificate”) containing the following for each maturity of the 2019 Bonds: (1) the interest rate; (2) the reasonably expected initial offering price to the “public” (as said term is used in Treasury Regulation Section 1.148-1(f) (the “Regulation”)) or the sale price; and (3) pricing wires or equivalent communications supporting such offering or sale price. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the 2019 Bonds for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the 2019 Bonds for sale to the public. Any action to be taken or documentation to be received by the Water District pursuant hereto may be taken or received by the Municipal Advisor or Bond Counsel on behalf of the Water District.

The Water District intends that the sale of the 2019 Bonds pursuant to this Notice shall constitute a “competitive sale” as defined in the Regulation. In support thereof: (1) the Water District shall cause this Notice to be disseminated to potential bidders in a manner reasonably designed to reach potential bidders; (2) all bidders shall have an equal opportunity to submit a bid; (3) the Water District reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the 2019 Bonds; and (4) the Water District anticipates awarding the sale of the 2019 Bonds to the bidder that provides a bid with the lowest TIC in accordance with the section hereof entitled “Basis of Award.”

Any bid submitted pursuant to this Notice shall be considered a firm offer for the purchase of the 2019 Bonds as specified therein. The Successful Bidder shall constitute an “underwriter” as said term is defined in the Regulation. By submitting its bid, the Successful Bidder confirms that it shall require any agreement among underwriters, a selling group agreement or other agreement to which it is a party relating to the initial sale of the 2019 Bonds, to include provisions requiring compliance with provisions of the Code and the Regulation regarding the initial sale of the 2019 Bonds.

If all of the requirements of a “competitive sale” are not satisfied, the Water District shall advise the Successful Bidder of such fact at the time of award of the sale of the 2019 Bonds and the following provisions shall apply to the 2019 Bonds. ***In such event, any bid submitted will not be subject to cancellation or withdrawal.*** Within twenty-four (24) hours of the notice of award of the sale of the 2019 Bonds, the Successful Bidder shall advise the Water District if a “substantial amount” (as defined in the Regulation (10%)) of any maturity of the 2019 Bonds has been sold to the public and the price at which such substantial amount was sold. The Water District will treat such sale price as the “issue price” for such maturity, applied on a maturity-by-maturity basis. The Water District will ***not*** require the Successful Bidder to comply with that portion of the Regulation commonly described as the “hold-the-offering-price” requirement for the remaining maturities, but the Successful Bidder may elect such option. If the Successful Bidder exercises such option, the Water District will apply the initial offering price to the public provided in the bid as the issue price for such maturities. If the Successful Bidder does not exercise that option, it shall thereafter promptly provide the Water District the prices at which a substantial amount of such maturities are sold to the public. ***Any change in the issue price of any of the 2019 Bonds after the Submittal Hour will not affect the purchase price for the 2019 Bonds submitted in the bid of the Successful Bidder.***

The Successful Bidder shall continue to provide such information related to the “issue price” of the 2019 Bonds after the Closing Time if: (a) the Water District requests the information in connection with an audit or inquiry by the Internal Revenue Service (the “IRS”) or the Securities and Exchange Commission (the “SEC”) or (b) the information is required to be retained by the Water District pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

Preliminary Official Statement and Official Statement. The Water District has prepared a Preliminary Official Statement dated October 29, 2019, “deemed final” by the Water District except for the omission of certain information as provided in the Rule, copies of which may be obtained from the Water District or from the Municipal Advisor. Upon the sale of the 2019 Bonds, the Water District will adopt the final Official Statement and will furnish the Successful Bidder, without cost, within seven business days of the acceptance of the Successful Bidder’s proposal, with a sufficient number of copies thereof, which may be in electronic format, in order for the Successful Bidder to comply with the requirements of the Rule and Rule G-32. Additional copies may be ordered by the Successful Bidder at its expense.

Continuing Disclosure. In the 2019 Bond Resolution, the Water District has covenanted to provide annually certain financial information and operating data and other information necessary to comply with the Rule, and to transmit the same to the Municipal Securities Rulemaking Board. This covenant is for the benefit of and is enforceable by any Registered Owner of the 2019 Bonds. For further information, reference is made to the caption “CONTINUING DISCLOSURE” in the Preliminary Official Statement.

Legal Opinion. The 2019 Bonds will be sold subject to the approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the Water District, which opinion will be furnished and paid for by the Water District, will be printed on the 2019 Bonds, if the 2019 Bonds are printed, and will be delivered to the Successful Bidder when the 2019 Bonds are delivered. Said opinion will also include

the opinion of Bond Counsel relating to the interest on the 2019 Bonds being excludable from gross income for federal income tax purposes and exempt from income taxation by the State. Reference is made to the Preliminary Official Statement for further discussion of federal and State income tax matters relating to the interest on the 2019 Bonds.

Additional Information. Additional information regarding the 2019 Bonds may be obtained from the undersigned or from the Municipal Advisor at the addresses set forth below:

DATED: October 29, 2019.

**WATER DISTRICT NO. 1
OF JOHNSON COUNTY, KANSAS**

By: Robert P. Reese, Chair

Water District – Facsimile Bid and Good Faith Deposit Delivery Address:

Water District No. 1 of Johnson County, Kansas
10747 Renner Boulevard
Lenexa, Kansas 66219
Attn: Darin Kamradt, Director of Finance
Phone No.: (913) 895-5500
Fax No.: (913) 369-4428
Email: dkamradt@waterone.org

Municipal Advisor:

Piper Jaffray & Co.
11635 Rosewood Street,
Leawood, Kansas 66211
Attn: William P. Henderson
Phone No.: (913) 345-3370
Email: william.p.henderson@pjc.com

OFFICIAL BID FORM

PROPOSAL FOR THE PURCHASE OF WATER DISTRICT NO. 1 OF JOHNSON COUNTY, KANSAS
WATER REVENUE REFUNDING BONDS, SERIES 2019

TO: The Board of Water District No. 1 of Johnson County, Kansas

November 12, 2019

For \$19,115,000* principal amount of Water Revenue Refunding Bonds, Series 2019 (the "2019 Bonds"), of Water District No. 1 of Johnson County, Kansas, to be dated December 10, 2019, as described in the Notice of Bond Sale dated on or about October 29, 2019 (the "Notice"), said 2019 Bonds to bear interest as follows:

<u>Stated Maturity</u>	<u>Principal Amount*</u>	<u>Annual Rate of Interest</u>	<u>Stated Maturity</u>	<u>Principal Amount*</u>	<u>Annual Rate of Interest</u>
July 1, 2020	\$250,000	_____ %	January 1, 2026	\$2,590,000	_____ %
January 1, 2021	1,280,000	_____ %	July 1, 2026	250,000	_____ %
July 1, 2021	250,000	_____ %	January 1, 2027	1,340,000	_____ %
January 1, 2022	1,375,000	_____ %	July 1, 2027	250,000	_____ %
July 1, 2022	250,000	_____ %	January 1, 2028	1,400,000	_____ %
January 1, 2023	1,435,000	_____ %	July 1, 2028	250,000	_____ %
July 1, 2023	250,000	_____ %	January 1, 2029	1,440,000	_____ %
January 1, 2024	1,510,000	_____ %	July 1, 2029	250,000	_____ %
July 1, 2024	250,000	_____ %	January 1, 2030	1,485,000	_____ %
January 1, 2025	2,510,000	_____ %	July 1, 2030	250,000	_____ %
July 1, 2025	250,000	_____ %			

* Subject to change, see the Notice

the undersigned will pay the purchase price for the 2019 Bonds set forth below, plus accrued interest to the date of delivery:

Principal Amount	\$19,115,000.00*
Plus Premium (not to exceed \$2,484,950 or 13.00%)	_____
Total Purchase Price	\$ _____
Total interest cost to maturity at the rates specified	\$ _____
Net interest cost (adjusted for Premium)	\$ _____
True Interest Cost	_____ %

The Bidder elects to purchase Municipal Bond Insurance from: [Assured] [AGM] [BAM] [_____]. Circle one or complete blank.

The Bidder elects to have the following Term Bonds (if more than two, complete on reverse side or attach additional page):

<u>Maturity Date</u>	<u>Years</u>	<u>Amount*</u>
_____ 1, _____	_____ to _____	\$ _____
_____ 1, _____	_____ to _____	\$ _____

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

This proposal is subject to all terms and conditions contained in the Notice, and if the undersigned is the Successful Bidder, the undersigned will comply with all of the provisions contained in the Notice. A cashier's or certified check or a wire transfer in the amount of \$382,300.00, payable to the order of the Water District and submitted in the manner set forth in the Notice, accompanies this proposal as an evidence of good faith (or, if the undersigned is the Successful Bidder, such deposit will be transmitted via wire transfer to the Water District for receipt no later than 2:00 p.m. Central Time). The acceptance of this proposal by the Water District by execution below shall constitute a contract between the Water District and the Successful Bidder for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission and a bond purchase agreement for purposes of the laws of the State of Kansas.

Submitted by: _____

(LIST ACCOUNT MEMBERS ON REVERSE)

By: _____
Telephone No. (____) _____

ACCEPTANCE

Pursuant to action duly taken by the Governing Body of Water District No. 1 of Johnson County, Kansas, the above proposal is hereby accepted on November 12, 2019.

Attest:

Secretary to the Board

Chair

NOTE: No additions or alterations in the above proposal form shall be made, and any erasures may cause rejection of any bid. Facsimile bids may be filed with the Director of Finance of the Water District, Fax No. (913) 369-4428, or electronic bids may be submitted via *PARITY*[®], at or prior to 11:00 a.m. applicable Central Time, on November 12, 2019. Any bid received after such time will not be accepted or shall be returned to the bidder.