

**NOTICE OF BOND SALE**

**\$9,500,000**

**CITY OF GRANDVIEW, MISSOURI  
GENERAL OBLIGATION BONDS  
SERIES 2014**

**Bids.** Electronic bids (as explained below) for the purchase of \$9,500,000 principal amount of General Obligation Bonds, Series 2014 (the “Bonds”), of the City of Grandview, Missouri (the “City”), herein described will be received through the *PARITY*<sup>®</sup> electronic bid submission system (“*PARITY*<sup>®</sup>”), **until 10:00 a.m., Central Time, on**

**TUESDAY, DECEMBER 9, 2014**

Only bids received through *PARITY*<sup>®</sup> will be considered. All bids will be publicly read and evaluated at that time and place, and the award of the Bonds will be acted upon by the Board of Aldermen at a meeting to be held at 7:00 p.m. on December 9, 2014.

**Terms of the Bonds.** The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated the date of their initial issuance and delivery, and will become due in principal installments on March 1 in the years and in the amounts as follows:

**SERIAL BONDS**

<b><u>Year</u></b>	<b><u>Principal Amount</u></b>
2017	\$ 30,000
2018	45,000
2019	390,000
2020	410,000
2021	435,000
2022	455,000
2023	480,000
2024	505,000
2025	530,000
2026	560,000
2027	585,000
2028	615,000
2029	650,000
2030	685,000
2031	720,000
2032	760,000
2033	800,000
2034	845,000

The Bonds will bear interest from the date thereof at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on September 1, 2015.

**Pre-Bid Revisions.** The City reserves the right to issue a Supplemental Notice of Bond Sale not later than 24 hours prior to the sale date via the MUNIFACTS News Service (“Supplemental Notice”). If issued, the Supplemental Notice may modify (i) the principal amount of the Bonds and/or (ii) such other terms of this Notice as the City determines. Any such modifications will supersede the maturities and such other terms as set forth herein.

**Post-Bid Revisions.** After bids are received on the sale date, the City may, in its discretion, revise the maturities of the Bonds; provided, that the principal amount of any maturity shall not be increased or decreased by an amount in excess of 10%. **The successful bidder may neither withdraw nor modify its proposal as a result of any post-bid revisions to the Bonds made by the City.**

**Book-Entry Only System.** The Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), to which payments of principal of an interest on the Bonds will be made. Individual purchases of Bonds will be made in book-entry form only. Purchasers will not receive certificates representing their interest in Bonds purchased. It shall be the obligation of the successful bidder to furnish to DTC an underwriters' questionnaire. It shall be the obligation of the successful bidder to qualify the Bonds, if such qualification is necessary, in the jurisdictions in which it intends to reoffer the Bonds.

**Place of Payment.** The principal of and interest on the Bonds will be payable in lawful money of the United States of America. The principal of each Bond will be payable at maturity or upon earlier redemption to the registered owner upon presentation and surrender of such Bond at the principal payment office of UMB Bank, N.A., which has been designated as Paying Agent for the Bonds. Interest on each Bond will be paid to the registered owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to the address of such registered owner shown on the Bond Register or, in the case of an interest payment to a securities depository or any registered owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such registered owner upon written notice signed by such registered owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions, including the bank (which must be in the continental United States), ABA routing number and account number to which such registered owner wishes to have such transfer directed.

**Mandatory Redemption.** A bidder may elect to have all or a portion of the Bonds scheduled to mature in consecutive years issued as term bonds that are scheduled to mature in the latest of those consecutive years and are subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (1) not less than all Bonds of the same serial maturity may be converted to term bonds with mandatory redemption requirements and (2) a bidder must make the election by so specifying in its bid.

**Optional Redemption.** At the option of the City, the Bonds or portions thereof maturing on March 1, 2023, and thereafter may be called for redemption and payment prior to maturity on March 1, 2022, and thereafter, in whole or in part at any time at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date. When less than all Bonds are to be

redeemed, such Bonds shall be redeemed from maturities selected by the City, and Bonds of less than a full maturity shall be selected by the Paying Agent in multiples of \$5,000 principal amount.

**Authority, Purpose and Security.** The Bonds are being issued pursuant to an ordinance (the “Bond Ordinance”) to be adopted by the governing body of the City and the constitution and laws of the State of Missouri for the purpose of paying the costs of acquiring, constructing, renovating, equipping, repairing and improving facilities for the City’s park and recreation system and public safety facilities and equipment, as authorized by the propositions approved by the qualified voters of the City at an election held in the City on August 5, 2014. The Bonds and the interest thereon will constitute general obligations of the City, payable 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 City.

**Bond Ratings.** The Bonds have been rated “AA-” by Standard & Poor’s Rating Services. The rating is further described in the Preliminary Official Statement, copies of which may be obtained from Piper Jaffray & Co., the City’ Financial Advisor, whose contact information is set forth at the end of this Notice of Sale.

**Bank Qualification.** The Bonds have been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

**Legal Opinion.** The Bonds will be sold subject to the approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, which opinion will be furnished and paid for by the City and printed on the Bonds and delivered to the successful bidder when the Bonds are delivered. The opinion will also include the opinion of Bond Counsel relating to the exclusion of the interest on the Bonds from gross income for federal and Missouri income tax purposes. Reference is made to the Preliminary Official Statement for further discussion of federal and Missouri income tax matters relating to the interest on the Bonds.

**Conditions of Bids.** Proposals will be received on the Bonds bearing such rate or rates of interest specified by the bidders, subject to the following conditions: The same rate must apply to all Bonds of the same maturity. Each interest rate specified must be a multiple of 1/8 or 1/20 of 1%. No supplemental interest payments will be authorized. No bid may be for less than 100% or more than 104% of the principal amount of the Bonds, with no maturity having a premium of more than 110% priced to the call date. Each bid must specify the total interest cost on the basis of such bid, the premium or discount if any, the net interest cost and the true interest cost. In addition, each bid must indicate the initial reoffering yield and initial reoffering price for each maturity of the Bonds (said price to be calculated to the date indicated by the City).

**Submission of Bids.** Bids must be submitted electronically via **PARITY**<sup>®</sup>, 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**<sup>®</sup>, this Notice of Bond Sale will control. Bids for the Bonds must be received before 10:00 a.m. on December 9, 2014. The City and the Financial Advisor will not be responsible for any failure, misdirection, delay or error in the means of transmission.

**PARITY**<sup>®</sup>. Information about the electronic bidding services of **PARITY**<sup>®</sup> may be obtained from the Financial Advisor or from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, NY 10018, telephone (800) 850-7422, and from the following website: [www.newissuehome.i-deal.com](http://www.newissuehome.i-deal.com).

**Good Faith Deposit.** The successful bidder is required to submit a good faith deposit (the “Deposit”) in the amount of \$190,000 (2% of the principal amount of the Bonds), to secure the City from any loss resulting from the failure of the bidder to comply with the terms of its bid. **The Deposit must be delivered prior to 2:00 p.m., Central Time, on December 9, 2014, in the form of a wire transfer of federal reserve funds sent pursuant to instructions to be provided by the Financial Advisor to the successful bidder.** If such funds are not received by such time, the City reserves the right to reject the bid and award the bid to the next lowest bidder. No interest on the Deposit will be paid by the City. The Deposit will be held by the City until the successful bidder has complied with all of the terms and conditions of this Notice of Bond Sale, at which time the amount of said Deposit shall be returned to the successful bidder or deducted from the purchase price, at the option of the City, but no interest will be allowed thereon. If a bid is accepted but the City fails to deliver the Bonds to the successful bidder in accordance with the terms and conditions of this Notice of Bond Sale, said Deposit 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 of Bond Sale, the proceeds of such Deposit will be retained by the City as and for liquidated damages.

The Deposit of the successful bidder for the Bonds constitutes a good faith deposit and will be retained by the City to insure performance of the requirements of the sale of Bonds by the successful bidder. In the event the successful bidder for the Bonds fails to comply with the terms of its bid, the Deposit will be forfeited as full and complete liquidated damages.

**Basis of Award.** The award of the Bonds will be made on the basis of the lowest true interest cost (“TIC”) 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 Bonds, from the payment dates to the dated date of the Bonds, produces an amount equal to the par amount of the Bonds, plus premium, if any, or less discount, if any. Payments of principal and interest on the Bonds will be based on the principal amounts set forth in this Notice and the interest rates specified by each bidder. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months.

No bidder will be designated as the successful bidder unless its bid is in compliance with the other terms and conditions of this Notice. In the event the TIC specified on the Official Bid Form does not correspond to the interest rates specified, the interest rates specified will govern and the TIC will be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest TIC are received, the City will determine which bid, if any, will be accepted, and its determination will be final. The Board reserves the right to waive irregularities and to reject any or all bids.

The City’s acceptance, including electronic acceptance through *PARITY*<sup>®</sup>, of the successful bidder’s proposal for the purchase of the Bonds in accordance with this Notice shall constitute a bond purchase agreement between the City and the successful bidder for the applicable series of Bonds for purposes of the laws of Missouri. The successful bidder must pay accrued interest, computed on a 360 day year of twelve 30-day months, from the date of the Bonds to the date of delivery.

**Certification as to Offering Prices.** To provide the City with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), the successful bidder will be required to complete, execute and deliver to the City prior to the delivery of the Bonds, a certificate regarding the “issue price” of the Bonds (as defined in Section 148 of the Code), reflecting the initial offering prices (excluding accrued interest and expressed as dollar prices) at which a substantial amount (*i.e.*, 10% or more) of the Bonds of each maturity have been or are expected to be sold

to the public. The term “public” excludes bond houses, brokers or similar persons, or organizations acting in the capacity of underwriters or wholesalers. The certificate will state that 10% or more of the Bonds of each maturity have been or are expected to be sold to the public at prices no higher than such initial offering prices. The certificate may, however, indicate that the successful bidder will not reoffer the Bonds for sale.

**Delivery and Payment.** The City will pay for the preparation of the Bonds. The Bonds will be available for delivery at the Depository Trust Company, without cost to the successful bidder, on or about December 23, 2014. The successful bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents, including a certificate that at the time of delivery of the Bonds there is no litigation pending or threatened affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds must be made in federal reserve funds, immediately available for use by the City. The denominations of the Bonds and the names, addresses and social security or taxpayer identification numbers of the registered owners must be submitted in writing by the successful bidder to the Paying Agent at least one week prior to the date of delivery of the Bonds. In the absence of such information, the City will deliver Bonds in the denomination of each maturity registered in the name of the successful bidder.

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

**Preliminary Official Statement and Official Statement.** The City has prepared a Preliminary Official Statement, an electronic copy of which may be obtained from the Financial Advisor. Upon the sale of the Bonds, the City will adopt the final Official Statement and will furnish the successful bidder with an electronic copy of such Official Statements within seven business days of the acceptance of the successful bidder’s proposal in order to comply with Rule 15c2-12(b)(4) of the Securities and Exchange Commission and Rule G-32 of the Municipal Securities Rulemaking Board. The City’s acceptance of the successful bidder’s proposal for the purchase of the Bonds will constitute a contract between the City and the successful bidder for purposes of those Rules.

For purposes of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the information contained in the Preliminary Official Statement is deemed to be final as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters.

**Continuing Disclosure.** The City has agreed in the Bond Ordinance to provide certain annual financial information and notices of certain events to the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule (the “MSRB”), via the Electronic Municipal Market Access system for municipal securities disclosures operated by the MSRB ([www.emma.msrb.org](http://www.emma.msrb.org)), in accordance with SEC Rule 15c2-12, as more particularly described in the Preliminary Official Statement accompanying this Notice of Bond Sale under “**CONTINUING DISCLOSURE.**”

**Additional Information.** Additional information regarding the Bonds may be obtained from the Financial Advisor.

**DATED** this 1<sup>st</sup> day of December, 2014.

**CITY OF GRANDVIEW, MISSOURI**

By:                   /s/ Cemal Umut Gungor                    
Director of Finance/City Treasurer

***Financial Advisor:***

Piper Jaffray & Co.  
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