

RESOLUTION NO. 322

**A RESOLUTION OF THE CITY OF COLUMBUS, KANSAS,
APPROVING AND RATIFYING CONTRACT FOR SALE
OF BOND PROJECT, AND APPROVING SALE OF THE
REAL ESTATE, BUILDINGS AND ANY PERSONAL
PROPERTY IN THE BOND PROJECT; AUTHORIZING
EXECUTION OF DEED, BILL OF SALE, AND ALL SUCH
OTHER DOCUMENTS NECESSARY TO CONVEY TITLE
IN ACCORDANCE WITH TERMS OF THE CONTRACT**

WHEREAS, pursuant to the provisions of K.S.A. 12-1740, *et seq.*, as amended (the "Act"), the City of Columbus, Kansas (the "City"), in order to stimulate and develop the general economic welfare and prosperity of the City and its environs, and thereby to further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas, previously issued \$4,500,000 City of Columbus, KS Industrial Revenue Bonds Series 1997 (Ace Electrical, L.L.C.) and \$3,500,000 City of Columbus, KS Industrial Revenue Bonds Series 1998 (Ace Electrical, L.L.C.) (collectively the "Bonds") which Bonds are secured by that certain Lease Agreement dated as of December 1, 1997 and supplemented as of August 1, 1998 ("Bond Lease") between the City and Ace Electrical, L.L.C. hereinafter referred to as the "Tenant."

WHEREAS, the City has assigned all of its rights under the Bond Lease Lease to Central Bank and Trust Company ("Trustee") pursuant to that certain Trust Indenture dated December 1, 1997 and supplemented as of August 1, 1998 (collectively the "Indenture");

WHEREAS, the Tenant is in default of the terms of the Bond Lease and the Bonds, the Trustee has terminated the Bond Lease and accelerated all sums due and owing under the Bond Lease and Bonds, and the Trustee has taken possession of the Bond Project (as defined in the "Indenture");

WHEREAS, the Bonds and the interest thereon do not constitute an indebtedness of the City, within the meaning of any constitutional provision or statutory limitation and do not constitute nor give rise to a pecuniary liability by the City, nor do the Bonds or the interest thereon constitute a charge against the general credit or taxing powers of the City, but are payable solely and only from certain fees, rentals, revenues and other amounts derived by the City under the Bond Lease and in the Indenture;

WHEREAS, the City has pledged the Bond Project to the payment of the Bonds in accordance with the provisions of K.S.A. 12-1744;

WHEREAS, the Trustee, solely in its capacity as the Trustee of the Bonds, has, as seller, entered into a certain Contract, dated October 24, 2005 (the "Contract") with RSI Holding Corporation, or its assignee, as buyer, (the "Buyer") for the sale of the Land and Buildings and any personal property located in the Bond Project which are part of the Bond Project. The conditions to the Contract include the City's approval of the Contract and a poll of the holders of the Bonds which is acceptable to the Trustee.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF COLUMBUS, KANSAS:

Section 1. The City hereby ratifies and approves the Trustee's execution and consummation of the Contract and the sales described therein.

Section 2. The Mayor or Vice Mayor, and the City Clerk or Deputy City Clerk are hereby authorized to execute by manual signature all documents necessary to effect the Contract including, but not by way of limitation, the execution of a special warranty deed and a quit-claim bill of sale to the Buyer.

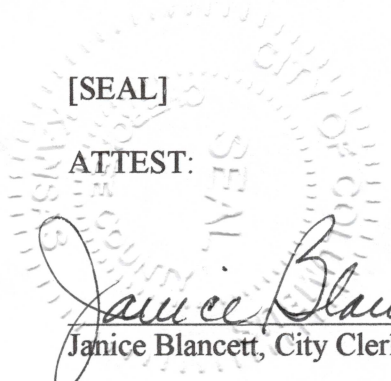
Section 3. The Trustee, the Mayor, Vice Mayor or City Clerk, or other appropriate staff of the City, are respectively authorized to deliver the documents referenced in Section 2 hereof on behalf of the City at the Closing of the Contract.

Section 4. The Mayor or Vice Mayor and the City Clerk or Deputy City Clerk, or other appropriate staff of the City, and the Trustee, are hereby authorized and directed to take all such other actions not inconsistent herewith as may be appropriate or desirable to accomplish the purpose of this Resolution.

PASSED AND APPROVED by the governing body of the City of Columbus, Kansas this 7th day of November 2005.

[SEAL]

ATTEST:


Janice Blancett
Janice Blancett, City Clerk

CITY OF COLUMBUS, KANSAS,
a municipal corporation

John Brassart
John Brassart, Mayor

Approved as to Form:

Barbara A. Wright
City Attorney