



CITY OF HESSTON AGENDA
Monday, May 09, 2016 6:00 PM
City Council Meeting Room
115 E. Smith Street

Present

David Kauffman, Mayor _____
Brad Unruh, City Council _____
Jason Jones, City Council _____
Larry Fuqua, City Council _____
Gary Pauls, City Council _____

Gary Emry, City Administrator _____
J.T. Klaus, City Attorney _____
Jason Thrasher, City Clerk _____

Others Present

1. _____
2. _____
3. _____
4. _____
5. _____

1. Call to Order - 6:00pm

2. Additions to Agenda

A. _____
B. _____
C. _____
D. _____

3. Consent Agenda

- [A.](#) Council Minutes - April 4th, April 11th, & April 27th
- [B.](#) Appropriations
- [C.](#) Financial Statements
- [D.](#) Board Minutes
- [E.](#) Building Permits

4. Constituency Comments

5. Proclamations and Awards

6. Public Hearing

7. Ordinances & Resolutions

[A.](#) Ordinance No. 130-2016-126 Amend Zoning Map

8. Old Business

[A.](#) Reservoir Booster Pump No. 1 Repair

9. New Business

[A.](#) Golf Course Zoysia Project

[B.](#) Water Refund Agreement

[C.](#) Harvey County EDC Appointment

[D.](#) Set Date for Awards Ceremony – Excel Incident

[E.](#) Real Estate Sale Agreement

[F.](#) Property Management Agreement

10. Other Business

[A.](#) Adjourn to a Meeting of the Public Building Commission

11. Executive Session

12. Adjourn Meeting

**CITY OF HESSTON
CITY COUNCIL MEETING**

MINUTES of April 4, 2016

Council Meeting No.4

The adjourned meeting of the Hesston City Council was held on Monday, April 4, 2016 at 4:30 p.m. in the City Council Chambers of the Hesston Municipal Building.

PRESENT

Council members Brad Unruh, Jason Jones, Larry Fuqua, Gary Pauls, Clare Moore, City Administrator Gary Emry, City Attorney J.T. Klaus and Attorney Andrew Kovar, City Clerk Jason Thrasher with Mayor David Kauffman presiding. A quorum was present.

At 4:30 p.m. Brad Unruh moved to reconvene the meeting from March 21st. Jason Jones seconded. Motion carried 5-0.

EXECUTIVE SESSION – ACQUISITION OF REAL ESTATE

At 4:40 p.m. Brad Unruh moved to enter into a 1 hour and 20 minutes executive session to discuss the acquisition of real estate with the participants being the mayor, city council, city attorneys, city administrator and city clerk. Gary Pauls seconded. Motion carried 5-0.

At 5:45 p.m. City Council Member Jason Jones left the meeting.

At 6:00 p.m. the regular meeting reconvened.

ADJOURNMENT

At 6:05 p.m. Larry Fuqua moved to adjourn the meeting. Clare Moore seconded. Motion carried 4-0.

Recorded by
Jason Thrasher
City Clerk

**CITY OF HESSTON
CITY COUNCIL MEETING**

MINUTES of April 11, 2016

Council Meeting No.5

The regular meeting of the Hesston City Council was held on Monday, April 11, 2016 at 6:00 p.m. in the City Council Chambers of the Hesston Municipal Building.

PRESENT

Council members Brad Unruh, Jason Jones, Larry Fuqua, Gary Pauls, Clare Moore, City Administrator Gary Emry, City Attorney J.T. Klaus and City Clerk Jason Thrasher with Mayor David Kauffman presiding. A quorum was present.

OTHERS PRESENT

Library Director Libby Albers and Library Board Chair Erik Lange, Street Superintendent Jim Erb, Utility Superintendent Scott Robertson, Police Chief Doug Schroeder, and Jackie Nelson with the Hesston Record.

ADDITIONS TO THE AGENDA

Gary Emry requested the following item be added to the agenda:

- Planning and Zoning – Susan Swartzendruber
- Joint Meeting Agenda

Mayor Kauffman added the item to the agenda.

CONSENT AGENDA

Brad Unruh moved to adopt the Consent Agenda as presented. Gary Pauls seconded. Motion carried 5-0.

HESSTON PUBLIC LIBRARY ANNUAL REPORT

Hesston Public Library Director Libby Albers and Library Board Chair Erik Lange were in attendance to present the Library 2015 Annual Report.

RESERVOIR WELL PUMPS REPAIR UPDATE

Utility Superintendent Scott Robertson was present to inform the Council of repairs that need to be performed on two reservoir well pumps. He will obtain bids for the repairs and present them at a future Council meeting for approval.

2016 STREET AND SIDEWALK PLAN

Street Superintendent Jim Erb was in attendance to present the 2016 Street and Sidewalk Plan.

POLICE DEPARTMENT TASER PURCHASE

Police Chief Doug Schroeder was present to request the purchase of new Tasers for the Police Department.

Clare Moore moved to approve the expenditure of \$7,265.76 to purchase six new Tasers from Taser International. The funds would come from the Police Department operating budget. Jason Jones seconded. Motion carried 5-0.

ANNUAL COURT COLLECTIONS REPORT

Police Chief Doug Schroeder explained the benefit of using American Municipal Services for Court collections. Both Chief Schroeder and Court Clerk Jeannine Hoheisel recommend the City continue to use this service.

ANNUAL NOMINATION OF COUNCIL PRESIDENT

Larry Fuqua moved to nominate Jason Jones as Council President who will preside over the Council in the absence of the Mayor. Brad Unruh seconded. Motion carried 4-0 with Jason Jones abstaining.

SET DATES FOR COUNCIL BUDGET MEETING

It was the consensus of the Council to set May 23, 2016 at 4:30 p.m. as the date and time for the Council & Staff 2017 budget meetings.

PLANNING AND ZONING APPOINTMENT

Jason Jones moved to approve the Mayors appointment of Susan Swartzendruber to the Planning Commission and Board of Zoning Appeals. Larry Fuqua seconded. Motion carried 5-0.

ARBOR DAY PROCLAMATION

Brad Unruh moved to authorize the Mayor to sign the proclamation declaring April 27th as Arbor Day in the City of Hesston. Gary Pauls seconded. Motion carried 5-0.

JOINT MEETING TOPICS

City Administrator Emry briefed the Council on the recommendation of the Recreation Project Ad-Hoc Committee to hire a consultant to conduct a feasibility study to determine the public support for the project. The decision to fund the study would be made at the recessed meeting on April 13th.

RECESS

At 7:26 p.m. Brad Unruh moved to recess the regular meeting to reconvene at 5:30 p.m. on Wednesday, April 13th. Jason Jones seconded. Motion carried 5-0.

Recorded by
Jason Thrasher
City Clerk

**CITY OF HESSTON
CITY COUNCIL MEETING**

MINUTES of April 27, 2016

Special Council Meeting

The special meeting of the Hesston City Council was held on Wednesday, April 27, 2016 at 6:30 p.m. in the Hesston High School Commons of the Hesston Municipal Building.

PRESENT

Council members Jason Jones, Larry Fuqua, Gary Pauls, City Administrator Gary Emry, Attorney Andrew Kovar on behalf of City Attorney J.T. Klaus and City Clerk Jason Thrasher with Mayor David Kauffman presiding. A quorum was present.

ABSENT

Council Members Brad Unruh and Clare Moore

OTHERS PRESENT

City Financial Advisor John Haas with Ranson Financial;

School Superintendent Ben Proctor, Clerk of the Board Judy Reimer, School Board Members Layne Frick, Mike Weber, Zach Weaver, Delvin Wohlgemuth, Brenda Nebel, Susan Rostetter, and Susan Lamb;

Hesston Recreation Commission Director Brad Kohlman, Recreation Board Members Chad Fuqua, Becky Tozier, and Derek Roth;

Jackie Nelson with the Hesston Record.

RECREATION PROJECT DISCUSSION

City Attorney Andrew Kovar and Financial Advisor John Haas discussed options to finance the proposed Hesston Recreation Project and answered questions posed by members of the three boards.

Jason Jones moved to approve the expenditure of \$26,000 to fund a portion of a fund raising feasibility study that would be conducted by ASA Strategic Funding. Gary Pauls seconded. Motion carried 3-0.

At 8:25 p.m. Larry Fuqua moved to adjourn the special meeting. Gary Pauls seconded. Motion carried 3-0.

Recorded by
Jason Thrasher
City Clerk

VENDOR SET: 01 City of Hesston

BANK: * ALL BANKS

DATE RANGE: 4/01/2016 THRU 4/30/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
C-CHECK	VOID CHECK	V	4/22/2016			054050		

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0	0.00	0.00	0.00
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	1 VOID DEBITS	0.00		
	VOID CREDITS	0.00	0.00	0.00

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: * TOTALS:	1	0.00	0.00	0.00
BANK: * TOTALS:	1	0.00	0.00	0.00

VENDOR SET: 01 City of Hesston
BANK: 99 CITIZENS STATE BANK
DATE RANGE: 4/01/2016 THRU 4/30/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00685	DIVISION SALES & EXCISE TAXES							
I-04222016	MARCH SALES TAX	D	4/22/2016	5,467.39		000000		5,467.39
00100	ABC TERMITE & PEST CONTROL							
I-11687	MARCH PEST CONTROL:CITY BLDG	R	4/01/2016	25.00		053887		
I-11688	MARCH PEST CONTROL:POLICE	R	4/01/2016	25.00		053887		
I-11689	MARCH PEST CONTROL:GOLF CRSE	R	4/01/2016	16.22		053887		66.22
07470	ACUSHNET COMPANY							
I-902166764	PUTTER (1)	R	4/01/2016	211.01		053888		
I-902191443	GOLF BALLS (6 DZ)	R	4/01/2016	169.99		053888		381.00
03455	AIRGAS USA, LLC							
I-9049614868	MEDICAL OXYGEN (5)	R	4/01/2016	368.76		053889		368.76
02920	ATOMIC SPORTS							
I-18573	EMBROIDERED LOGOS/NAMES	R	4/01/2016	36.00		053890		36.00
07570	BRIDGESTONE GOLF, INC							
I-1002474730	GOLF BALLS (12 DZ)	R	4/01/2016	326.40		053891		326.40
06470	BUILDERS CONCRETE & SUPPLY, IN							
I-51487	CONCRETE:N.MAIN/81 HWY-HICKORY	R	4/01/2016	394.13		053892		394.13
07505	CALLAWAY GOLF COMPANY							
I-926686444	WEDGES (3)/PUTTERS (4)	R	4/01/2016	891.94		053893		
I-926689112	GOLF BALLS (36 DZ)	R	4/01/2016	919.98		053893		
I-926695674	GOLF BALLS (6 DZ)	R	4/01/2016	195.18		053893		
I-926700866	GOLF HEADWEAR (22)	R	4/01/2016	337.38		053893		2,344.48
05135	CENTURYLINK							
I-3272691 4/16	UNRUH LIFT STN SERV THRU 4/17	R	4/01/2016	53.44		053894		
I-3274412 4/16	LOCAL/LONG DIS/DSL THRU 4/17	R	4/01/2016	917.58		053894		971.02
03930	CLIA LABORATORY PROGRAM							
I-17D0686611	CERTIFICATE FEE	R	4/01/2016	150.00		053895		150.00
00545	CONKLIN CARS NEWTON LLC							
I-00139	LOOSE BRAKE PEDAL/TOE ANGLE	R	4/01/2016	80.25		053896		80.25
04085	DELTA DENTAL OF KANSAS							
I-1003003201604	APRIL DENTAL PREMIUM	R	4/01/2016	2,525.42		053897		2,525.42

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00755	EMERGENCY MEDICAL PRODUCTS, IN							
I-1811887	SPEED CLIP STRAPS (4)	R	4/01/2016	496.60		053898		
I-1812371	SMITHS PLUS IV CATH (20)	R	4/01/2016	39.80		053898		536.40
01475	FUQUA-RUTH-TYPER INSURANCE							
I-1527	NEW AMBULANCE INSURANCE	R	4/01/2016	107.00		053899		107.00
00895	GALLS, LLC							
I-5071641	5-CROSSED BUGLES PIN	R	4/01/2016	14.15		053900		
I-5092562	TACLITE FIRE PANTS (1)	R	4/01/2016	67.39		053900		81.54
07195	GROUP BENEFIT SPECIALISTS, INC							
I-234962	APRIL BENEFIT BROKERS FEE	R	4/01/2016	500.00		053901		500.00
1	HANK HUMPHERY							
I-HUMPHERY 4/16	HANK HUMPHERY:	R	4/01/2016	50.00		053902		50.00
01160	HESSTON CHAMBER OF COMMERCE							
I-298	ANNUAL DINNER:GARY/DAVE/LYNDA	R	4/01/2016	105.00		053903		105.00
07850	HESSTON COMMUNITY FOUNDATION							
I-04012016	3/26 EXCEL GOLF TOURNAMENT	R	4/01/2016	3,105.00		053904		3,105.00
02525	HESSTON RESOURCE CENTER							
I-04012016	GRANT:ELECTRIC/UTILITIES (6)	R	4/01/2016	513.43		053905		513.43
01275	HESSTON VETERINARY CLINIC							
I-2358	REMO:PHYCOX SOFT CHEWS(120)	R	4/01/2016	55.52		053906		55.52
03665	SCHOWALTER VILLA							
I-CITY-33016	MEMBERSHIP SUBSIDY:4 EMPLOYEES	R	4/01/2016	200.00		053907		200.00
1	JAMES & KIRSTA WRIGHT							
I-WRIGHT 4/16	JAMES & KIRSTA WRIGHT:	R	4/01/2016	1,000.00		053908		1,000.00
1	JIM BETHARDS							
I-BETHARDS 4/16	JIM BETHARDS:	R	4/01/2016	377.97		053909		377.97
1	JULIE KOCH							
I-KOCH 4/16	JULIE KOCH:	R	4/01/2016	35.00		053910		35.00
01580	KANSAS BOARD OF EMS							
I-04012016	SERVICE PERMIT/AMB.LICENSES	R	4/01/2016	220.00		053911		220.00

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07855	KARSTETTER & BINA, LLC							
I-04012016	PROT-TEM CITY PROSEC:S.MILLER	R	4/01/2016	100.00		053912		100.00
01810	KROPF LUMBER CO							
I-04012016	MARCH SUPPLIES	R	4/01/2016	56.10		053913		56.10
05330	LLAMAS LAW OFFICES							
I-04012016	CASE APPEAL:RYAN GRUBE	R	4/01/2016	450.00		053914		450.00
04990	MOBILE RADIO SERVICE, INC							
I-3507900	#51:INSTALL 800MZ RADIO	R	4/01/2016	344.00		053915		
I-3508000	INSTALL NEW RADIOS/ANTENNA	R	4/01/2016	1,019.00		053915		1,363.00
02150	NAVRAT'S							
I-95684-001	PENS (48)	R	4/01/2016	134.40		053916		
I-96061-001	WINDOW ENVELOPES:POLICE	R	4/01/2016	35.98		053916		170.38
07770	NISLY BROTHERS TRASH SERVICE,							
I-71201	MAR REFUSE/RECYCLE/SLUDGE	R	4/01/2016	13,855.50		053917		13,855.50
02235	OCHS CLEANERS							
I-794030	BLANKET CLEANING (2)	R	4/01/2016	16.00		053918		16.00
02270	OVERHEAD DOOR COMPANY							
I-323738-IN	REPAIR EMS BAY DOOR	R	4/01/2016	205.96		053919		205.96
1	PETE & MELISSA ROSEBERRY							
I-ROSEBERRY 4/16	PETE & MELISSA ROSEBERRY:	R	4/01/2016	40.00		053920		40.00
03405	PROFESSIONAL TURF PRODUCTS, LP							
I-1328872-00	SUCTION PUMP (1)	R	4/01/2016	60.76		053921		60.76
02545	BRIAN K REIMER							
I-415	WOODEN COAT HANGERS/REPORT BX	R	4/01/2016	217.56		053922		217.56
03380	SCHWAB-EATON, P.A.							
I-16.029-1	ARCHITECT:RECREATION PROJECT	R	4/01/2016	1,099.00		053923		1,099.00
07030	SOUTHEASTERN EMERGENCY EQUIPME							
I-630378	GAUZE/CLEAN HAND/AIRWAY CUFF	R	4/01/2016	65.79		053924		65.79
02800	SPRINT PCS							
I-519277819-100	CELL USAGE THRU 3/20(NEW PHONE	R	4/01/2016	262.91		053925		262.91

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02865	SUPERIOR LINEN SERVICE, INC							
I-13412518	LINEN SERVICE:GOLF CRSE	R	4/01/2016	42.26		053926		42.26
03100	UNIFIRST CORPORATION							
I-2400619292	CLOTH WIPES	R	4/01/2016	63.75		053927		63.75
07660	USGA CLUB MEMBERSHIP							
I-04012016	2016 CLUB MEMBERSHIP	R	4/01/2016	110.00		053928		110.00
06090	VAN-WALL GROUP							
I-237201	POLES/FLAGS/CUPS/RAKE	R	4/01/2016	1,130.74		053929		1,130.74
03055	VISION COMPUTER INC.							
I-M8771	KEYBOARD	R	4/01/2016	16.99		053930		
I-M8777	TREND SOFTWARE RENEWAL	R	4/01/2016	232.60		053930		249.59
01660	WESTAR ENERGY							
I-COMMERCE 4/16	COMMERCE SIREN SERV THRU 3/28	R	4/01/2016	34.89		053931		
I-GOLF CL/HS 4/16	GOLF CLUBHOUSE SERV THRU 3/28	R	4/01/2016	353.57		053931		
I-GOLF CRSE 4/16	GOLF CRSE RD SERV THRU 3/28	R	4/01/2016	87.55		053931		
I-GOLF FNT 4/16	GOLF CRSE FOUNTAIN THRU 3/29	R	4/01/2016	25.62		053931		
I-GOLF PUMP 4/16	GOLF CRSE PUMP SERV THRU 3/28	R	4/01/2016	788.76		053931		
I-GOLF STRGE 4/16	GOLF CRSE STORAGE THRU 3/28	R	4/01/2016	264.98		053931		
I-SKATE PK 4/16	SKATE PK SERVICE THRU 3/29	R	4/01/2016	23.63		053931		1,579.00
03450	ZOLL MEDICAL CORPORATION							
I-2358236	RECORDER PAPER	R	4/01/2016	146.74		053932		146.74
07745	1-2-1 MARKETING, INC							
I-120465	APRIL- JUNE WEBSITE FEES	R	4/08/2016	447.00		053933		447.00
05065	AMERICINN LODGE & SUITES CORPO							
I-APR2016-MONTHLY	1/2 ROAD SIGN FEE	R	4/08/2016	180.00		053934		180.00
05380	CASEY'S GENERAL STORES							
I-04082016	MARCH GASOLINE	R	4/08/2016	2,199.87		053935		2,199.87
00485	CITIZENS STATE BANK							
I-APR2016-MONTHLY	APR GOLF CARTS LEASE PURCHASE	R	4/08/2016	4,293.85		053936		4,293.85
04330	COX COMMUNICATIONS							
I-4082016	APR INTERNET SERVICE:CITY HALL	R	4/08/2016	129.95		053937		
I-GOLF 4/16	APR INTERNET/TV/PHONE:GOLF	R	4/08/2016	356.15		053937		486.10

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1	DELORES FUNK							
I-FUNK 4/16	DELORES FUNK:	R	4/08/2016	45.00		053938		45.00
07525	FRITO-LAY							
I-91656330	CHIPS/NUTS/COOKIES	R	4/08/2016	184.86		053939		184.86
00885	GOERING HARDWARE CO.							
I-119576	REPAIR A/C: GOLF	R	4/08/2016	281.41		053940		281.41
01070	HARVEY COUNTY SOLID WASTE							
I-04082016	MAR LANDFILL FEES (65.64 TN)	R	4/08/2016	2,166.12		053941		2,166.12
01235	HESSTON PHARMACY							
I-0408206	ASPIRIN/HYDROGEN	R	4/08/2016	12.55		053942		12.55
01245	HESSTON PRESTIGE PRINTING							
I-22747	UPS CHG/FEDEX CHG: EMS	R	4/08/2016	54.74		053943		
I-22752	UPS CHG: UTILITIES	R	4/08/2016	13.13		053943		
I-22797	PAPER/FLUTES: GOLF	R	4/08/2016	39.25		053943		
I-22811	MARKERS/FLYERS: GOLF	R	4/08/2016	19.20		053943		126.32
06045	HESSTON RECORD							
I-35189	WEBSITE/AD/ORD#091	R	4/08/2016	220.00		053944		220.00
01210	HESSTON TRUE VALUE							
I-04082016	MARCH SUPPLIES	R	4/08/2016	1,528.65		053945		
I-GAS 4/16	MAR GAS SUPPLIES	R	4/08/2016	166.84		053945		1,695.49
01275	HESSTON VETERINARY CLINIC							
I-1507	REMO: DOG FOOD	R	4/08/2016	59.01		053946		59.01
03665	SCHOWALTER VILLA							
I-CITY-040516	MEMBERSHIP SUBSIDY: WADE	R	4/08/2016	50.00		053947		
I-CITY-040716	MEMBERSHIP SUBSIDY: GARVER	R	4/08/2016	50.00		053947		100.00
01690	KANSAS ONE-CALL SYSTEM INC							
I-6030293	LOCATES (60)	R	4/08/2016	60.00		053948		60.00
01780	KMGA-GAS SUPPLY OPERATING							
I-KMGA-HE-2016-02	APRIL NOM/FEB ACTUAL NAT'L GAS	R	4/08/2016	20,524.58		053949		20,524.58
01855	LAYNE CHRISTENSEN COMPANY							
I-04082016	REPAIR RESERVOIR PUMP #3	R	4/08/2016	13,059.00		053950		13,059.00

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00530	MARTIN AUTO PARTS, INC.							
I-2430	OIL FILTER (1)	R	4/08/2016	7.49		053951		
I-2725	BATTERY/MOTOR OIL/OIL FILTERS	R	4/08/2016	167.02		053951		
I-2944	AIR FILTERS (2)	R	4/08/2016	67.98		053951		242.49
05120	MID-KANSAS COOPERATIVE							
I-04082016	MARCH CLEAR DIESEL FUEL	R	4/08/2016	1,090.34		053952		1,090.34
07590	PING							
I-13213542	GOLF BAG (1)	R	4/08/2016	165.92		053953		165.92
00965	GLADINE SCHNEIDER							
I-5628-31	4/4 MTG: COOKIES (4 DZ)	R	4/08/2016	17.00		053954		17.00
02745	SKEET'S SERVICE INC							
I-13176	'12 TAHOE: OIL CHG/TIRE REPAIR	R	4/08/2016	89.08		053955		
I-13183	'15 INTERCEPTOR:FRT BRAKE PADS	R	4/08/2016	262.47		053955		
I-13186	'11 F-350:MULTIFUNCTION SWITCH	R	4/08/2016	905.68		053955		
I-13187	'15 TAHOE:OIL CHG	R	4/08/2016	89.54		053955		
I-13197	#53: ANNUAL INSPECTION	R	4/08/2016	60.00		053955		
I-13198	#52:ANNUAL INSP/OIL CHG/FUEL F	R	4/08/2016	347.96		053955		
I-13207	'15 TAHOE:MT/BALANCE TIRES(2)	R	4/08/2016	46.28		053955		
I-707827	#52: POWER STEERING FLUID	R	4/08/2016	5.49		053955		1,806.50
07030	SOUTHEASTERN EMERGENCY EQUIPME							
I-631434	ELECT ECG TAPE (1 CS)	R	4/08/2016	251.53		053956		251.53
02820	STATE TREASURER							
I-04082016	MARCH COURT FEES	R	4/08/2016	359.00		053957		359.00
02985	UNIVERSITY OF KANSAS							
I-FC160079-2311-B	FIRE FGTR I EXAMS: 4 EMPLOYEES	R	4/08/2016	240.00		053958		240.00
04680	VERIZON WIRELESS							
I-9762567501	POLICE WIRELESS SERVICE	R	4/08/2016	120.03		053959		120.03
03055	VISION COMPUTER INC.							
I-M8783	OUTLOOK ANYWHERE ISSUE	R	4/08/2016	82.55		053960		
I-M8784	WTR TWR PC/PCI COMP/RUSS EMAIL	R	4/08/2016	80.20		053960		162.75
07300	WEAVER GROCER'S							
I-04082016	MARCH SUPPLIES	R	4/08/2016	136.00		053961		136.00

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01660	WESTAR ENERGY							
I-GROUP 4/16	GROUP BILL SERVICE THRU 3/23	R	4/08/2016	11,392.99		053962		
I-ST LGTS 4/16	STREET LGT SERVICE THRU 3/31	R	4/08/2016	4,060.25		053962		15,453.24
07860	ALTEC INDUSTRIES, INC.							
I-5280381	HYDRAULIC VALVE:BUCKET TRUCK	R	4/15/2016	3,792.40		053982		3,792.40
04275	AMERICAN FUN FOOD CO.							
I-206942-0	CANDY/CUPS (4 CS)	R	4/15/2016	123.22		053983		
I-206942-1	CANDY (1 CS)	R	4/15/2016	26.28		053983		
I-206942-2	CANDY (1 CS)	R	4/15/2016	18.21		053983		
I-206945-0	BATHROOM TISSUE (1 CS)	R	4/15/2016	77.57		053983		245.28
02310	BLACK HILLS ENERGY							
I-04152016	TRANSPORT GAS THRU 3/31	R	4/15/2016	5,146.06		053984		5,146.06
00375	BOUNDTREE MEDICAL, LLC							
I-82109681	TACTICAL TOURNIQUET (6 BX)	R	4/15/2016	163.80		053985		163.80
07570	BRIDGESTONE GOLF, INC							
I-1002483329	GOLF BALLS (6 DZ)	R	4/15/2016	211.50		053986		211.50
06470	BUILDERS CONCRETE & SUPPLY, IN							
I-51636	CONCRETE:SAND STORAGE PAD	R	4/15/2016	2,282.00		053987		2,282.00
04330	COX COMMUNICATIONS							
I-PD 4/16	APRIL INTERNET SERVICE:POLICE	R	4/15/2016	124.95		053988		124.95
00645	D C & B SUPPLY, INC							
I-20072	COPPER TRACE WIRE	R	4/15/2016	300.25		053989		
I-20079	GAS REGULATOR (1)	R	4/15/2016	914.43		053989		1,214.68
1	DON SCHROEDER							
I-SCHROEDER 4/16	DON SCHROEDER:	R	4/15/2016	49.80		053990		49.80
07480	EVCO WHOLESALE FOOD CORP.							
I-124856	MEAT/SHORTEN/COOKIES/CHEESE	R	4/15/2016	938.48		053991		938.48
07720	EVOQUA WATER TECHNOLOGIES LLC							
I-624020	SCADA PROGRAMMING:SWR PLANT	R	4/15/2016	1,600.00		053992		1,600.00
01475	FUQUA-RUTH-TYPER INSURANCE							
I-1545	EMS MALPRACTICE INS. 5/16-5/17	R	4/15/2016	4,134.00		053993		4,134.00

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01005	HACH COMPANY							
I-9876455	FLUORIDE (10)	R	4/15/2016	374.39		053994		374.39
01065	HARVEY COUNTY ROAD & BRIDGE							
I-04152016	SALT/SAND	R	4/15/2016	834.12		053995		834.12
01045	HARVEY COUNTY SHERIFF OFFICE							
I-04152016	CITY PRISONERS HOUSED IN MAR	R	4/15/2016	540.00		053996		540.00
05300	HD SUPPLY WATERWORKS, LTD							
I-F173212	3/4" COUPLINGS (2)	R	4/15/2016	36.56		053997		
I-F260382	PIPE:RUN LINE AT GOLF CRSE	R	4/15/2016	1,177.23		053997		
I-F318059	PVC PIPE	R	4/15/2016	84.28		053997		1,298.07
07370	HESSTON CHAMBER CVB							
I-04152016	APRIL 2016 TRANSIENT GUEST TAX	R	4/15/2016	7,386.95		053998		7,386.95
02525	HESSTON RESOURCE CENTER							
I-04152016	GRANT:ELECTRIC/RENT/GAS	R	4/15/2016	469.89		053999		469.89
01275	HESSTON VETERINARY CLINIC							
I-2888	REMO: DOG FOOD/TOPIICAL OINTMT	R	4/15/2016	75.73		054000		75.73
05340	KANSAS RURAL WATER ASSOC							
I-04152016	2016 CONFER.FEE: 5 EMPLOYEES	R	4/15/2016	910.00		054001		910.00
04545	KANSASLAND TIRE							
I-163534	#27: TIRES (2)	R	4/15/2016	253.88		054002		253.88
07485	KNORK FLATWARE							
I-69185-IN	BLACK PLASTIC KNORK (1 CS)	R	4/15/2016	22.75		054003		22.75
01805	KREHBIEL'S SPEEDPRINT							
I-7267	UTILITY WINDOW ENVELOPES(5000)	R	4/15/2016	227.00		054004		227.00
02195	NEWTON MEDICAL CENTER							
I-30883	MARCH DRUG/LAUNDRY CHGS	R	4/15/2016	791.28		054005		791.28
02295	PAUL'S, INC.							
I-333554	PVC ADAPTER/BUSHING/FLANGE	R	4/15/2016	37.61		054006		37.61
02445	PRICE BROTHERS EQUIPMENT							
I-101059	REPAIR TRENCHER	R	4/15/2016	481.00		054007		481.00

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07805	PROACTIVE SPORTS GROUP							
I-802731-00	SUNSCREEN (24 TUBES)	R	4/15/2016	53.01		054008		53.01
1	RANDY BRUNER							
I-BRUNER 4/16	RANDY BRUNER:	R	4/15/2016	49.80		054009		49.80
1	ROBERT CARLTON							
I-CARLTON 4/16	ROBERT CARLTON:	R	4/15/2016	50.00		054010		50.00
02690	SECRETARY OF STATE							
I-04152016	NOTARY FILING FEE: HOHEISEL	R	4/15/2016	25.00		054011		25.00
02865	SUPERIOR LINEN SERVICE, INC							
I-13422380	LINEN SERVICE 4/13	R	4/15/2016	42.26		054012		42.26
07765	TURF EQUIPMENT SERVICES							
I-04152016	AERATION SERVICE	R	4/15/2016	2,000.00		054013		2,000.00
02995	USA BLUE BOOK							
I-904746	DPD DISPENSER (2)	R	4/15/2016	58.87		054014		58.87
04093	VISA #1205 - CITIZEN'S STATE B							
I-VISA #1 4/16	REPAIR SUPPLIES: GOLF CRSE	R	4/15/2016	143.36		054015		
I-VISA #2 4/16	FROZEN POTATOES: CONCESSIONS	R	4/15/2016	22.88		054015		
I-VISA #3 4/16	POP/GATORADE/PASTRIES	R	4/15/2016	175.44		054015		
I-VISA #4 4/16	ZIPLOC BAGS/STORAGE BAGS	R	4/15/2016	19.36		054015		361.04
04097	VISA #1660 - CITIZEN'S STATE B							
I-VISA #1 4/16	3/2 MTG MEAL (3)	R	4/15/2016	47.00		054016		
I-VISA #2 4/16	3/17 MTG MEAL: 2	R	4/15/2016	22.70		054016		69.70
04098	VISA #2048 - CITIZEN'S STATE B							
I-VISA #1 4/16	10/8-10 CONFER:RM CHG: GARY	R	4/15/2016	82.50		054017		
I-VISA #2 4/16	10" MONITOR SWIVEL	R	4/15/2016	20.98		054017		103.48
03055	VISION COMPUTER INC.							
I-M8785	ISSUE ON SERVER: VIRTUALIZING	R	4/15/2016	40.95		054018		40.95
03090	WENGER OIL, CO							
I-97271	GASOLINE/DIESEL FUEL: GOLF CRSE	R	4/15/2016	876.29		054019		876.29
04160	XEROX FINANCIAL SERVICES							
I-503398	APRIL COPY SERVICE PAYMENT	R	4/15/2016	454.44		054020		454.44

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07470	ACUSHNET COMPANY							
I-902316073	GOLF BALLS (4 DZ)	R	4/22/2016	80.43		054021		80.43
04275	AMERICAN FUN FOOD CO.							
I-207318-0	GRIDDLE PAD/TOWELS/LINERS	R	4/22/2016	78.15		054022		
I-207320-0	CANDY (2 BX)	R	4/22/2016	58.97		054022		
I-207400-0	CLEANING TOWELS (10 BX)	R	4/22/2016	113.38		054022		250.50
07845	CARRIE SMITH							
I-04222016	APRIL PROBATION SERV (13 CS)	R	4/22/2016	364.00		054023		364.00
05725	COMM-TRONIX							
I-60439	VFD REPLACMT:WELL 8&9 DAMAGE	R	4/22/2016	13,135.00		054024		13,135.00
04515	DAN'S CYLCE SERVICE,LLC							
I-64297	SEAT SWITCH	R	4/22/2016	17.55		054025		
I-64574	BLADE (3)	R	4/22/2016	58.71		054025		76.26
07865	FORENSIC PSYCHOLOGY ASSOCIATES							
I-1002	POST-INCIDENT TRAINING 3/2;4/7	R	4/22/2016	1,600.00		054026		1,600.00
01500	HARVEY COUNTY EDC, INC							
I-APR2016-MONTHLY	APRIL 2016 EDC CONTRIBUTION	R	4/22/2016	3,000.00		054027		3,000.00
01225	HESSTON MACHINE/WELD INC							
I-12448	STEEL SCREWS: BIG WTR METERS	R	4/22/2016	247.63		054028		247.63
01245	HESSTON PRESTIGE PRINTING							
I-22810	UPS CHG:UTILITIES	R	4/22/2016	25.34		054029		
I-22843	BUSINESS CARDS: JEANNINE	R	4/22/2016	17.95		054029		43.29
06045	HESSTON RECORD							
I-34818	ORD#010-2016-208:GOLF CART LSE	R	4/22/2016	171.00		054030		171.00
04865	JERRY INGRAM/FIRE & RESCUE							
I-I-16-0414B	DBLE JACKET ATTACK HOSE (3)	R	4/22/2016	338.85		054031		338.85
00655	KANSAS HEALTH & ENVIRONMENTAL							
I-04222016	COLILERT DRINKING WTR TEST	R	4/22/2016	154.00		054032		154.00
01675	KANSAS MUNICIPAL UTILITIES, IN							
I-13180	2ND QTR SAFETY TRAINING FEE	R	4/22/2016	2,206.00		054033		2,206.00

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05330	LLAMAS LAW OFFICES							
I-APR2016-MONTHLY	APRIL 2016 PROSECUTOR FEE	R	4/22/2016	600.00		054034		600.00
06725	MAYER SPECIALTY SERVICES, LLC							
I-2016214	2016 SEWER MAINTENANCE CLEAN	R	4/22/2016	13,124.16		054035		13,124.16
02150	NAVRAT'S							
I-97356-001	PENS/FORKS	R	4/22/2016	33.77		054036		33.77
05900	PACE ANALYTICAL SERVICES, INC.							
I-166012	SWR ANALYSIS SERVICES 4/6	R	4/22/2016	413.25		054037		413.25
03245	RANDALL J. PANKRATZ							
I-APR2016-MONTHLY	APRIL 2016 COURT FEE	R	4/22/2016	1,083.33		054038		1,083.33
02295	PAUL'S, INC.							
I-333591	TEES/BUSHING/NIPPLES	R	4/22/2016	53.04		054039		53.04
02300	PAVING MAINTENANCE SUPPLY INC.							
I-25000283	SEALANT/ASPHALT/BROOM	R	4/22/2016	1,832.75		054040		1,832.75
07870	PEARSON CONSTRUCTION, LLC							
I-04222016	WEAVER ST: PAYMENT #1	R	4/22/2016	68,274.68		054041		68,274.68
07805	PROACTIVE SPORTS GROUP							
I-802477-00	SHARPIE MINI 72 COUNT DISPLAY	R	4/22/2016	88.72		054042		88.72
02610	RUSTY ECK FORD							
I-462890A	DIESEL ADDITIVE: BULK TANK	R	4/22/2016	167.76		054043		167.76
07010	SERVPRO							
I-5049928	WELL#8&9 DAMAGE:INSURANCE	R	4/22/2016	816.45		054044		816.45
07825	SITEONE LANDSCAPE SUPPLY, LLC							
I-75324422	OAK:ARBOR DY/PLANTS:CITY HALL	R	4/22/2016	493.88		054045		493.88
04295	STONE CREEK NURSERY							
I-T-176134	SEED GRASS AREA:SWR PLANT	R	4/22/2016	137.94		054046		137.94
01915	JANET THRASHER							
I-APR2016-MONTHLY	JANITORIAL SERVICES 4/3-30	R	4/22/2016	640.00		054047		640.00
02995	USA BLUE BOOK							
I-924614	PYREX BEAKER (1)	R	4/22/2016	4.10		054048		
I-925424	PRESSURE GAUGE (8)	R	4/22/2016	112.65		054048		116.75

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04095	VISA #1967 - CITIZEN'S STATE B							
I-VISA #1 4/16	JACKET: EMS	R	4/22/2016	176.97		054049		
I-VISA #10 4/16	TONER	R	4/22/2016	112.97		054049		
I-VISA #11 4/16	WHITEBOARD	R	4/22/2016	128.23		054049		
I-VISA #12 4/16	3/25 EMS MEETING MEAL	R	4/22/2016	31.98		054049		
I-VISA #13 4/16	APRIL WKSP REG FEE: RUSS	R	4/22/2016	50.00		054049		
I-VISA #14 4/16	SUBSCRIPTION:BEING CANCELLED	R	4/22/2016	179.00		054049		
I-VISA #2 4/16	PLASTIC STORAGE STACKS	R	4/22/2016	299.67		054049		
I-VISA #3 4/16	AMBULANCE LICENSE	R	4/22/2016	40.00		054049		
I-VISA #4 4/16	FLOWERS: CASEY	R	4/22/2016	52.06		054049		
I-VISA #5 4/16	FUEL CARD HOLDER W/KEY	R	4/22/2016	6.27		054049		
I-VISA #6 4/19	SURVIVOR BANK CHARGER	R	4/22/2016	264.14		054049		
I-VISA #7 4/16	CANNULAS: EMS	R	4/22/2016	70.00		054049		
I-VISA #8 4/16	BOOTS: EMS	R	4/22/2016	279.98		054049		
I-VISA #9 4/16	YARD BAG	R	4/22/2016	23.10		054049		1,714.37
03055	VISION COMPUTER INC.							
I-M8808	VIRTUALIZATION:WTR TWR/POLICE	R	4/22/2016	143.00		054051		
I-M8809	UPGRADE VIRTUALIZATION SOFTWR	R	4/22/2016	27.95		054051		
I-M8828	HARDDRIVE:PD/WTR TWR PORT DEV	R	4/22/2016	252.22		054051		423.17
07160	VSP VISION							
I-04222016	MAY VISION PREMIUM	R	4/22/2016	463.07		054052		463.07
04615	WAL-MART CREDIT CARD							
I-04222016	COFFEE:CITY HALL	R	4/22/2016	98.94		054053		98.94
03080	MISCELLANEOUS TAX - WATER PROT							
I-04222016	1ST QTR 2016 WTR PROT/CLEAN DR	R	4/22/2016	1,807.92		054054		1,807.92
07145	360 DOCUMENT SOLUTIONS							
I-49843382	POLICE COPY SERVICE	R	4/29/2016	159.50		054074		159.50
00100	ABC TERMITE & PEST CONTROL							
I-11737	APRIL PEST CONTROL:CITY BLDG	R	4/29/2016	25.00		054075		
I-11738	APRIL PEST CONTROL:POLICE BLDG	R	4/29/2016	25.00		054075		
I-11741	APRIL PEST CONTROL: GOLF CRSE	R	4/29/2016	16.22		054075		66.22
04275	AMERICAN FUN FOOD CO.							
I-207648-0	CANDY (6 BX)	R	4/29/2016	163.30		054076		
I-207649-0	CUPS/REFILL TIMEMIST	R	4/29/2016	108.66		054076		271.96
03960	AMERICAN UNITED LIFE INSURANCE							
I-04292016	MAY LIFE INSURANCE PREMIUM	R	4/29/2016	644.42		054077		644.42

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00375	BOUNDTREE MEDICAL, LLC							
C-70226743	CREDIT:TRAUMA SHEAR BLUE (3)	R	4/29/2016	6.84CR		054078		
I-82118049	GLUCOSE TEST STRIPS/ENDOTRACH	R	4/29/2016	77.40		054078		
I-82121973	TRAUMA SHEAR BLUE (3)	R	4/29/2016	6.84		054078		77.40
07265	CBS MANHATTAN, LLC							
I-616554	CUT KEYS (3)	R	4/29/2016	24.83		054079		24.83
00480	CINTAS CORPORATION #451							
I-451230316	UNIFORM CLEANING 3/25	R	4/29/2016	91.31		054080		
I-451232637	UNIFORM CLEANING 4/1	R	4/29/2016	91.31		054080		
I-451234974	UNIFORM CLEANING 4/8	R	4/29/2016	91.31		054080		
I-451237285	UNIFORM CLEANING 4/15	R	4/29/2016	91.31		054080		
I-451239634	UNIFORM CLEANING 4/22	R	4/29/2016	91.31		054080		456.55
04185	CINTAS FIRST AID & SAFETY							
I-5004778783	MEDICAL SUPPLIES: CITY SHOP	R	4/29/2016	22.84		054081		22.84
04085	DELTA DENTAL OF KANSAS							
I-1003003201605	MAY DENTAL INSURANCE PREMIUM	R	4/29/2016	2,560.43		054082		2,560.43
07480	EVCO WHOLESALE FOOD CORP.							
I-130229	MEAT/CHEESE/BREAD/VEGETABLES	R	4/29/2016	1,386.41		054083		1,386.41
05870	FARMER BROTHERS COFFEE							
I-63374565	COFFEE/TEA: CONCESSIONS	R	4/29/2016	231.40		054084		231.40
07875	FLOWERS BAKING COMPANY							
I-94199588	BREAD (9 PKG)	R	4/29/2016	20.60		054085		
I-94199667	BREAD (12 PKG)	R	4/29/2016	26.88		054085		47.48
01475	FUQUA-RUTH-TYPER INSURANCE							
I-WC 4/16	2016-17 WORKERS COMPENSATION	R	4/29/2016	45,582.00		054086		45,582.00
00960	GRAINGER							
I-9088715355	WELL#8 HEATER:INSURANCE-REIM.	R	4/29/2016	494.55		054087		494.55
01195	HESSTON ELECTRIC							
I-20161	WELL#8 HEATER-LABOR:INSUR.-REI	R	4/29/2016	130.00		054088		130.00
01245	HESSTON PRESTIGE PRINTING							
I-22928	VELLUM PAPER/MARKERS:GOLF	R	4/29/2016	19.40		054089		19.40

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06045	HESSTON RECORD							
I-35214	WEBSITE/CASH REPORT/AFFIDAVITS	R	4/29/2016	225.00		054090		225.00
01275	HESSTON VETERINARY CLINIC							
I-3314	SHOTS/OINTMENT/PREDNISONE	R	4/29/2016	110.90		054091		110.90
07260	IMAGE QUEST							
I-285761	COPY SERVICE: CITY HALL	R	4/29/2016	7.95		054092		7.95
03290	INCODE							
I-025-153717	ANL SOFTWR MAINTEN.THUR 6/2017	R	4/29/2016	23,228.34		054093		23,228.34
01810	KROPF LUMBER CO							
I-04292016	APRIL SUPPLIES	R	4/29/2016	317.30		054094		317.30
07880	LIGHTFIELD LLAR CORP							
I-16-2075	AMMO: LSLR-12 YELLOW (6)	R	4/29/2016	121.50		054095		121.50
00530	MARTIN AUTO PARTS, INC.							
I-3099	BATTERY (1)	R	4/29/2016	104.00		054096		
I-3105	WHIP BAT (1)	R	4/29/2016	4.29		054096		
I-3130	BATTERY (1)	R	4/29/2016	34.99		054096		143.28
1	MAYNARD HERRON							
I-HERRON 4/16	MAYNARD HERRON:	R	4/29/2016	50.00		054097		50.00
05120	MID-KANSAS COOPERATIVE							
I-MOU101162622	ROUNDUP WEED SPRAY:UTILITIES	R	4/29/2016	45.63		054098		45.63
02835	OFFICE PLUS OF KANSAS							
I-438758-0	BLACK MARKERS (1 DZ)	R	4/29/2016	4.99		054099		
I-438855-0	NAME PLATE: ZONING	R	4/29/2016	9.00		054099		
I-439343-0	LINERS (1 CS): POLICE	R	4/29/2016	56.11		054099		
I-439351-0	GLOSS COLORED PAPER (1 PK)	R	4/29/2016	10.59		054099		
I-439409-0	LINERS/TOWELS: PARKS	R	4/29/2016	266.07		054099		
I-439840-0	NAME PLAQUE:PLANNING COMMISS.	R	4/29/2016	9.00		054099		
I-440004-0	LEGAL PADS (1 DZ)	R	4/29/2016	7.79		054099		
I-440406-0	PAPER TOWELS (1 CS)	R	4/29/2016	64.39		054099		427.94
05900	PACE ANALYTICAL SERVICES, INC.							
I-166110	SWR SAMPLE ANALYSIS 4/20	R	4/29/2016	71.25		054100		71.25
02320	PETTY CASH							
I-04292016	REPLENISH PETTY CASH	R	4/29/2016	12.98		054101		12.98

VENDOR SET: 01 City of Hesston
 BANK: 99 CITIZENS STATE BANK
 DATE RANGE: 4/01/2016 THRU 4/30/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
07205	SCHENCK SHOOTING SCHOOL							
I-04292016	FIREARM TRAINING (5 EMPLOYEES)	R	4/29/2016	300.00		054102		300.00
00965	GLADINE SCHNEIDER							
I-5628-41	COOKIES: 4/27 WORK DAY	R	4/29/2016	17.00		054103		17.00
02865	SUPERIOR LINEN SERVICE, INC							
I-13432187	LINEN SERVICE 4/27	R	4/29/2016	42.26		054104		42.26
00460	TASER INTERNATIONAL							
I-SI1435519	TASER W/CARTRIDGES/HOLSTER(6)	R	4/29/2016	7,360.21		054105		7,360.21
04120	TRIPLETT,WOOLF,GARRETSON							
I-119536	MARCH CITY ATTORNEY FEES	R	4/29/2016	2,500.00		054106		
I-119537	MOBILE HOME PK: LEGAL FEES	R	4/29/2016	2,010.00		054106		4,510.00
1	TWILA GOOD							
I-GOOD 4/16	TWILA GOOD:	R	4/29/2016	52.50		054107		52.50
03010	U S POST OFFICE							
I-04292016	BULK MAILING POSTAGE ACCOUNT	R	4/29/2016	1,800.00		054108		1,800.00
02995	USA BLUE BOOK							
I-929058	WELL FUSES: INSURANCE-REIM.	R	4/29/2016	147.06		054109		147.06
04092	CARD SERVICES - VISA							
I-04292016	4/22 WKSP FEE: RUSS	R	4/29/2016	50.00		054110		50.00
04320	WEST BRANCH EXCAVATING, LLC							
I-1335	CLEAN OUT RANDALL DITCH 4/8	R	4/29/2016	212.50		054111		212.50

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	186	345,271.90	0.00	345,271.90
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	1	5,467.39	0.00	5,467.39
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0 VOID DEBITS	0.00		
	VOID CREDITS	0.00	0.00	

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: 99	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			187	350,739.29	0.00	350,739.29
BANK: 99	TOTALS:		187	350,739.29	0.00	350,739.29

VENDOR SET: 01 City of Hesston
 BANK: PR Payroll Accounts Payable
 DATE RANGE: 4/01/2016 THRU 4/30/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00485	CITIZENS STATE BANK							
I-T1 03272016	FEDERAL WITHHOLDING TAX	D	4/01/2016	7,384.26		000000		
I-T3 03272016	FICA W/H TAX	D	4/01/2016	9,520.52		000000		
I-T4 03272016	MEDICARE W/H TAX	D	4/01/2016	2,226.68		000000		19,131.46
00485	CITIZENS STATE BANK							
I-T1 04102016	FEDERAL WITHHOLDING TAX	D	4/15/2016	6,183.29		000000		
I-T3 04102016	FICA W/H TAX	D	4/15/2016	8,545.76		000000		
I-T4 04102016	MEDICARE W/H TAX	D	4/15/2016	1,998.62		000000		16,727.67
00485	CITIZENS STATE BANK							
I-T1 04242016	FEDERAL WITHHOLDING TAX	D	4/29/2016	6,743.69		000000		
I-T3 04242016	FICA W/H TAX	D	4/29/2016	8,973.22		000000		
I-T4 04242016	MEDICARE W/H TAX	D	4/29/2016	2,098.66		000000		17,815.57
01355	I.C.M.A.							
I-37 03272016	EMPLOYEE RETIREMENT	D	4/01/2016	1,455.00		000000		
I-37103272016	EMPLOYEE RETIREMENT	D	4/01/2016	275.66		000000		
I-37203272016	ICMA - 2.5% CONT	D	4/01/2016	193.51		000000		
I-37303272016	ICMA - 3%	D	4/01/2016	830.18		000000		2,754.35
01355	I.C.M.A.							
I-37 04102016	EMPLOYEE RETIREMENT	D	4/15/2016	1,455.00		000000		
I-37104102016	EMPLOYEE RETIREMENT	D	4/15/2016	260.79		000000		
I-37204102016	ICMA - 2.5% CONT	D	4/15/2016	177.02		000000		
I-37304102016	ICMA - 3%	D	4/15/2016	824.70		000000		2,717.51
01355	I.C.M.A.							
I-37 04242016	EMPLOYEE RETIREMENT	D	4/29/2016	1,455.00		000000		
I-37104242016	EMPLOYEE RETIREMENT	D	4/29/2016	266.44		000000		
I-37204242016	ICMA - 2.5% CONT	D	4/29/2016	168.27		000000		
I-37304242016	ICMA - 3%	D	4/29/2016	824.70		000000		2,714.41
01615	KPERS							
I-31 03272016	KPERS	D	4/01/2016	6,669.66		000000		
I-31203272016	KPERS-TR2	D	4/01/2016	2,069.95		000000		
I-31303272016	KPERS-TR3	D	4/01/2016	1,059.25		000000		9,798.86
01615	KPERS							
I-31 04102016	KPERS	D	4/15/2016	6,434.76		000000		
I-31204102016	KPERS-TR2	D	4/15/2016	2,141.22		000000		
I-31304102016	KPERS-TR3	D	4/15/2016	1,030.59		000000		
I-31L03272016	KPERS OPTIONAL LIFE INS	D	4/15/2016	248.90		000000		9,855.47

VENDOR SET: 01 City of Hesston
 BANK: PR Payroll Accounts Payable
 DATE RANGE: 4/01/2016 THRU 4/30/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01615	KPERS							
I-31 04242016	KPERS	D	4/29/2016	6,571.43		000000		
I-31204242016	KPERS-TR2	D	4/29/2016	2,088.46		000000		
I-31304242016	KPERS-TR3	D	4/29/2016	1,007.33		000000		9,667.22
01620	KANSAS WITHHOLDING TAX							
I-T2 03272016	KANSAS STATE W/H TAX	D	4/01/2016	2,546.19		000000		2,546.19
01620	KANSAS WITHHOLDING TAX							
I-T2 04102016	KANSAS STATE W/H TAX	D	4/15/2016	2,248.32		000000		2,248.32
01620	KANSAS WITHHOLDING TAX							
I-T2 04242016	KANSAS STATE W/H TAX	D	4/29/2016	2,412.86		000000		2,412.86
05605	AFLAC							
I-40 03272016	AFLAC	R	4/15/2016	164.45		053979		
I-40 04102016	AFLAC	R	4/15/2016	164.45		053979		
I-41 03272016	AFLAC	R	4/15/2016	64.06		053979		
I-41 04102016	AFLAC	R	4/15/2016	64.06		053979		
I-41203272016	AFLAC EMPLOYER PAID	R	4/15/2016	28.56		053979		
I-41204102016	AFLAC EMPLOYER PAID	R	4/15/2016	28.56		053979		514.14
00525	COLONIAL LIFE							
I-33 03272016	COLONIAL LIFE INSURANCE	R	4/15/2016	17.63		053980		
I-33 04102016	COLONIAL LIFE INSURANCE	R	4/15/2016	17.63		053980		35.26
07185	LEGALSHIELD							
I-41303272016	LEGALSHIELD	R	4/15/2016	26.68		053981		
I-41304102016	LEGALSHIELD	R	4/15/2016	26.68		053981		53.36
05605	AFLAC							
I-40 04242016	AFLAC	R	4/29/2016	164.45		054072		
I-41 04242016	AFLAC	R	4/29/2016	64.06		054072		
I-41204242016	AFLAC EMPLOYER PAID	R	4/29/2016	28.56		054072		257.07
07185	LEGALSHIELD							
I-41304242016	LEGALSHIELD	R	4/29/2016	26.68		054073		26.68

VENDOR SET: 01 City of Hesston
 BANK: PR Payroll Accounts Payable
 DATE RANGE: 4/01/2016 THRU 4/30/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
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* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	5	886.51	0.00	886.51
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	12	98,389.89	0.00	98,389.89
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0 VOID DEBITS	0.00		
	VOID CREDITS	0.00	0.00	0.00

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: PR TOTALS:	17	99,276.40	0.00	99,276.40
BANK: PR TOTALS:	17	99,276.40	0.00	99,276.40
REPORT TOTALS:	205	450,015.69	0.00	450,015.69

SELECTION CRITERIA

VENDOR SET: 01-CITY OF HESSTON
VENDOR: ALL
BANK CODES: All
FUNDS: All

CHECK SELECTION

CHECK RANGE: 000000 THRU 999999
DATE RANGE: 4/01/2016 THRU 4/30/2016
CHECK AMOUNT RANGE: 0.00 THRU 999,999,999.99
INCLUDE ALL VOIDS: YES

PRINT OPTIONS

SEQUENCE: CHECK NUMBER

PRINT TRANSACTIONS: YES
PRINT G/L: NO
UNPOSTED ONLY: NO
EXCLUDE UNPOSTED: NO
MANUAL ONLY: NO
STUB COMMENTS: NO
REPORT FOOTER: NO
CHECK STATUS: NO
PRINT STATUS: * - All

CITY OF HESSTON



MONTHLY FINANCIAL STATEMENT

**For the Fourth Month Ended
April 30, 2016**

CITY OF HESSTON

Monthly Financial Statement For the Fourth Month Ended April 30, 2016

EXECUTIVE SUMMARY

Pooled Cash and Debt (Exhibit I) – The City's total pooled cash position is approximately \$10.2 million. The City's debt of \$10.6 million is made up of four G.O. Bonds that are paid primarily through special assessments, one PBC Bond for the library building, the 26 acre land purchase, the golf cart lease-purchase, and a revolving loan for the Wastewater Treatment Plant Improvement Project.

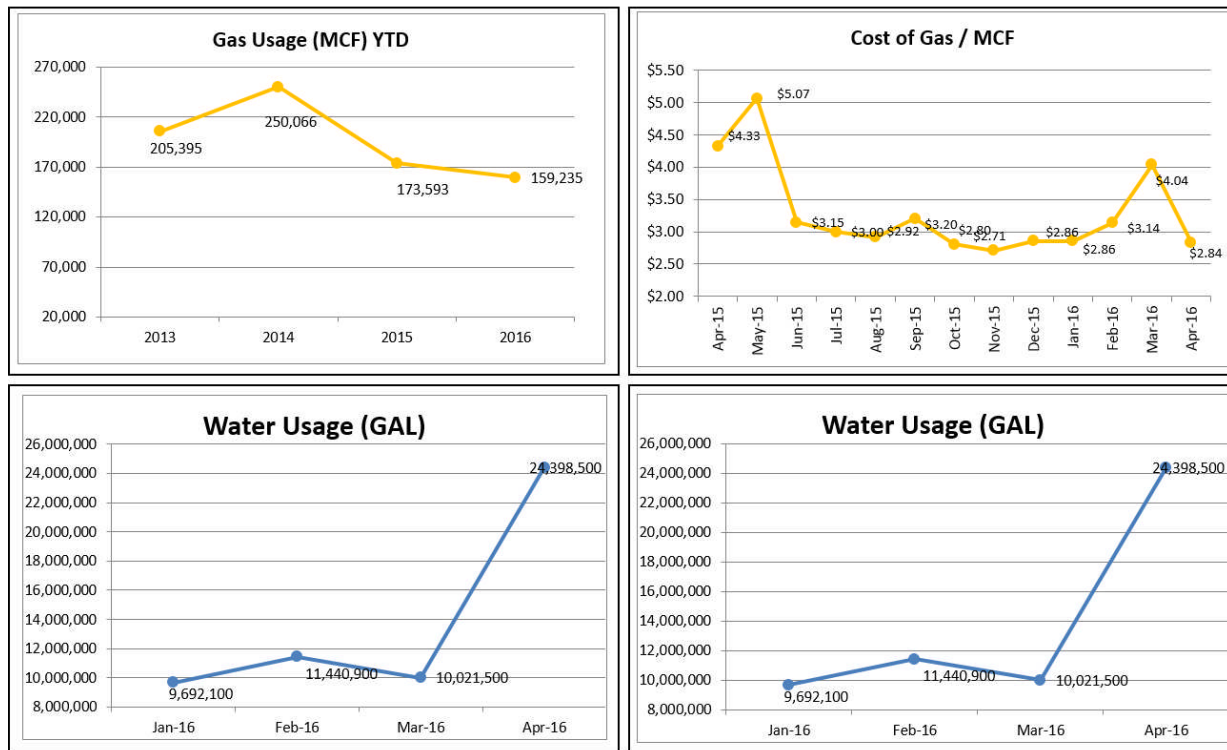
General Obligation Bonds	6,704,000
PBC Bonds	715,000
Temporary Notes	-
Lease Purchase Agreements	371,560
WWTP Loan	2,814,405
TOTAL INDEBTEDNESS	10,604,965

Operating Expenses to Budget (Exhibit I) – All funds are within budget as of April 2016.

General Fund (Exhibit II) – Sales Tax Proceeds are down about 7.5% so far this year with Franchise Fees being equal to last year. Expenses are within budget.

Golf Fund (Exhibit III) – The Golf Course recorded \$35,000 in revenue and \$51,000 in expense for the month of April 2016. We expect to see better weather and an increase in rounds and tournaments in the months ahead.

Utility Operations (Exhibit V - VIII) –



Revolving Loan (Exhibit IX) – The City has five active revolving loans. The fund has a balance of \$76,863 available for new loans.

**CITY OF HESSTON
POOLED CASH
As of April 30, 2016**

FUND	BEGINNING BALANCE	CURRENT ACTIVITY	CURRENT BALANCE
01 - General	1,226,571	(88,345)	1,138,226
02 - Library	(8,447)	(4,487)	(12,934)
03 - Library Maintenance	22,779	0	22,779
04 - Special Street & Highway	328,143	23,501	351,644
06 - Golf	56,028	(15,054)	40,975
07 - Ambulance (EMS)	101,961	(8,792)	93,169
08 - Community Service Program	52,156	(983)	51,172
09 - Bond & Interest	387,869	0	387,869
12 - Utility	3,103,339	78,670	3,182,009
13 - Utility Maintenance Reserve	1,353,170	(13,059)	1,340,111
27 - Construction	1,348,069	(70,285)	1,277,784
30 - Capital Improvement	1,168,346	(1,099)	1,167,247
31 - Transient Guest Tax	0	0	0
33 - Economic Development	55,098	(1,445)	53,653
34 - Golf Maintenance Reserve	75,954	(3,459)	72,495
38 - Special Law Enforcement	461	0	461
42 - Fire Equipment Tax	259,608	5,000	264,608
45 - Equipment Reserve	629,636	(339)	629,297
46 - Special Parks	1,332	0	1,332
47 - Utility Deposits	62,652	300	62,952
48 - Gift Certificates (Golf)	3,273	(74)	3,199
50 - Revolving Loan Fund	74,033	2,830	76,863
55 - PBC	65,203	0	65,203
TOTAL CLAIM ON CASH	<u>10,367,234</u>	<u>(97,120)</u>	<u>10,270,114</u>

**EXPENSE COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016**

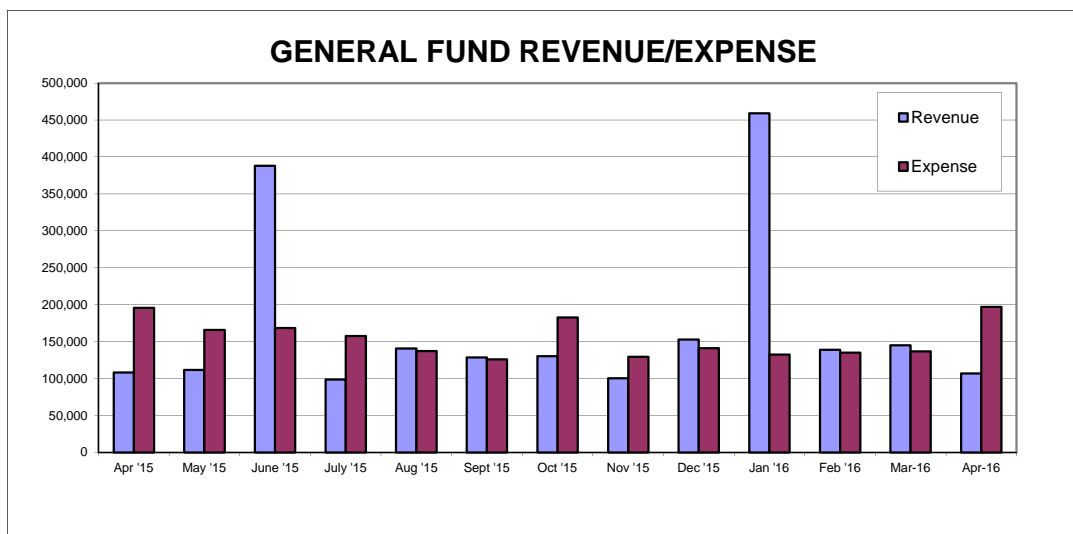
FUND	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
01 - General	2,048,341	197,184	601,612	29.4%	1,446,729
02 - Library	203,518	0	110,477	54.3%	93,041
03 - Library Maintenance		0	0		
04 - Special Street & Highway	193,000	0	2,200	1.1%	190,800
06 - Golf	517,262	51,176	153,606	29.7%	363,656
07 - Ambulance (EMS)	410,941	46,189	122,447	29.8%	288,494
08 - Community Service Program	20,000	983	1,962	9.8%	18,038
09 - Bond & Interest	511,405	0	151,129	29.6%	360,276
12 - Utility	4,513,591	192,301	1,009,528	22.4%	3,504,063
13 - Utility Maintenance Reserve		13,059	365,936		
27 - Construction		70,285	1,469,047		
30 - Capital Improvement		1,099	618,849		
31 - Transient Guest Tax	42,500	7,387	20,847		21,653
33 - Economic Development	21,550	1,445	3,952	18.3%	17,598
34 - Golf Maintenance Reserve		3,459	271,057		
38 - Special Law Enforcement		0	0		
42 - Fire Equipment Tax	140,662	0	0	0.0%	140,662
45 - Equipment Reserve		339	46,875		
46 - Special Parks	486	0	0	0.0%	486
50 - Revolving Loan Fund		0	0		
55 - PBC (Library Bldg. Payment)	65,203	0	0	0.0%	65,203
TOTAL EXPENSES	<u>8,688,459</u>	<u>584,905</u>	<u>4,949,523</u>	<u>24.8%</u>	<u>6,510,700</u>
			<u>Standard</u>	<u>33.3%</u>	

**INDEBTEDNESS
As of April 30, 2016**

General Obligation Bonds	6,704,000
PBC Bonds	715,000
Temporary Notes	-
Lease Purchase Agreements	371,560
WWTP Loan	2,814,405
TOTAL INDEBTEDNESS	<u>10,604,965</u>

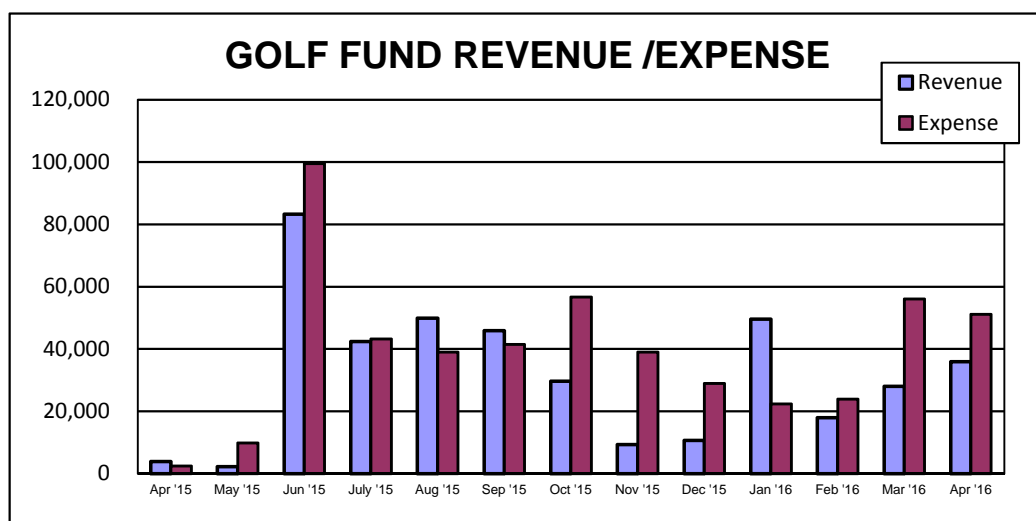
CITY OF HESSTON
GENERAL FUND COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016

ACCOUNT	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
REVENUE:					
Property Tax	709,330	0	420,857	59.3%	288,473
Motor Vehicle Taxes	99,044	0	17,800	18.0%	81,244
Local Sales Tax	650,000	50,655	190,513	29.3%	459,487
Franchise Taxes	425,000	34,131	129,527	30.5%	295,473
Court Fees & Costs	39,050	2,490	14,658	37.5%	24,392
Interest on Investments	3,000	1,849	8,577	285.9%	(5,577)
Lease Revenue	53,250	6,500	19,250	36.2%	34,000
Fees	30,250	1,361	6,970	23.0%	23,281
Miscellaneous Income	18,575	250	17,729	95.4%	846
Reimbursements	84,500	9,474	23,948	28.3%	60,552
Intra Fund Transfers	50,000	0	0	0.0%	50,000
TOTAL REVENUE	2,161,999	106,710	849,828	39.3%	1,312,171
EXPENDITURES:					
Administration	133,748	15,074	44,493	33.3%	89,255
Police	706,544	79,551	231,345	32.7%	475,199
Street	348,401	41,891	121,625	34.9%	226,776
Fire	162,205	15,858	49,972	30.8%	112,233
Parks	234,215	20,953	65,545	28.0%	168,670
Municipal Court	38,900	7,277	17,113	44.0%	21,787
Lease Purchase	25,500	0	10,254	40.2%	15,246
Transfers	165,203	0	0	0.0%	165,203
Other Expenses	233,625	16,581	61,264	26.2%	172,361
TOTAL EXPENSES	2,048,341	197,184	601,612	29.4%	1,446,729
NET GAIN/(LOSS)	113,658	(90,474)	248,215		(134,557)



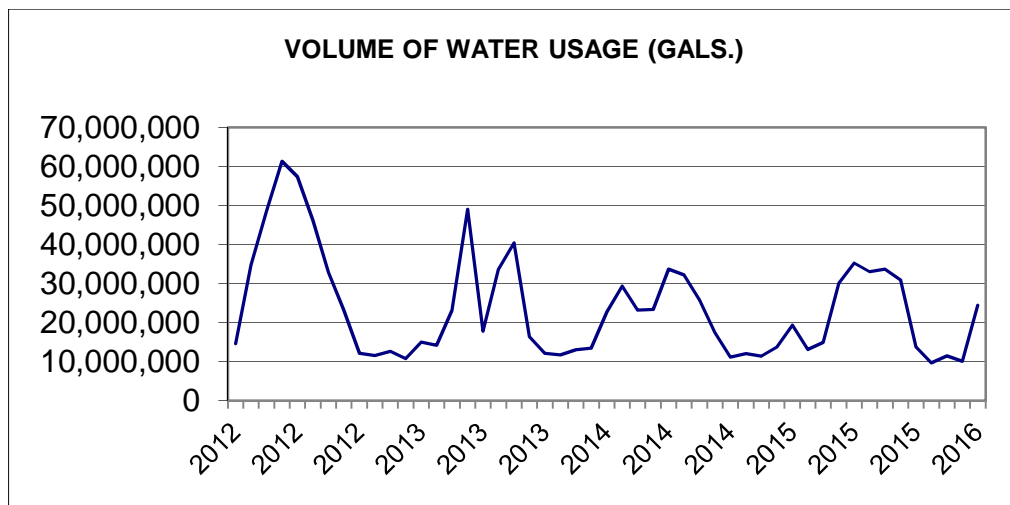
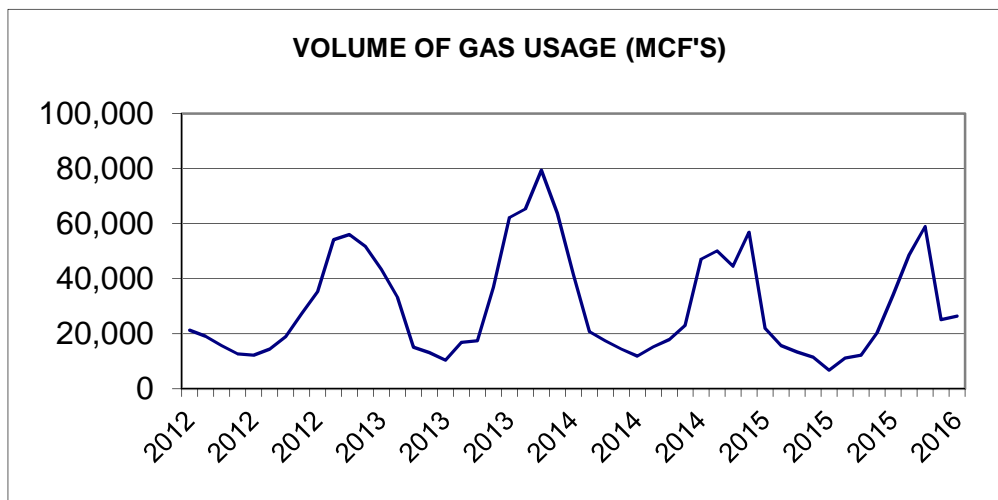
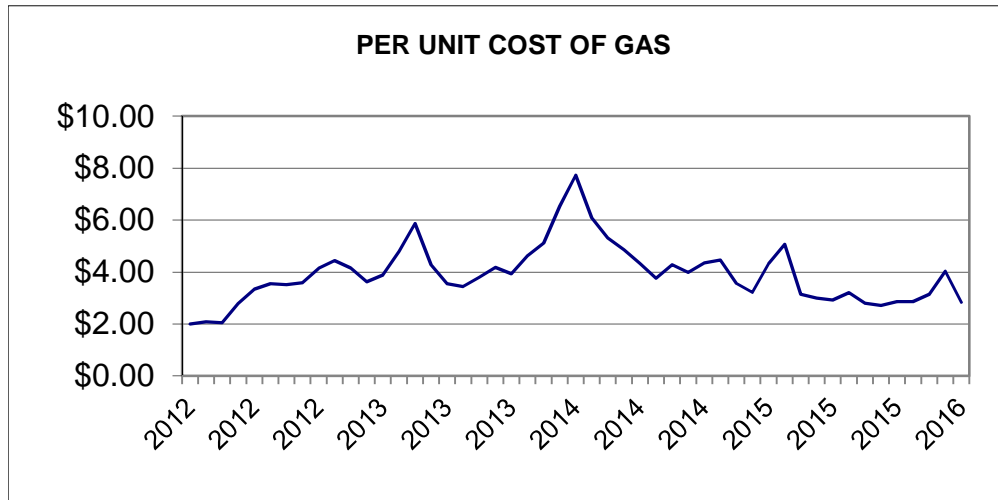
CITY OF HESSTON
GOLF FUND COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016

ACCOUNT	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
REVENUE:					
Payment on Account	0	0	0	0.0%	0
Green Fees	141,441	11,148	20,469	14.5%	120,972
Golf Cart Fee	74,924	8,009	33,164	44.3%	41,760
Practice Facility	6,098	1,137	5,139	84.3%	959
Miscellaneous	774	202	519	67.1%	255
Tournament Fees	80,238	3,110	7,375	9.2%	72,863
Membership Fees	60,000	3,347	41,940	69.9%	18,060
Concessions	48,400	4,348	10,974	22.7%	37,426
Golf Shop Sales	65,512	4,602	11,133	17.0%	54,379
Reimbursements	0	0	851	0.0%	(851)
TOTAL REVENUE	477,387	35,903	131,564	27.6%	345,823
EXPENDITURES:					
Personnel	268,678	27,270	68,676	25.6%	200,002
Contractual Services	99,425	9,176	39,202	39.4%	60,223
Commodities	149,159	10,436	35,835	24.0%	113,324
Capital Outlay	0	4,294	9,327	0.0%	(9,327)
Reimbursement	0	0	566	0.0%	(566)
TOTAL EXPENDITURES	517,262	51,176	153,606	29.7%	363,656
Net Bef. Franchise Fees	(39,875)	(15,274)	(22,041)		(17,834)
Add: Franchise Fees	40,000	0	0		40,000
NET GAIN/(LOSS)	125	(15,274)	(22,041)	0.0%	22,166



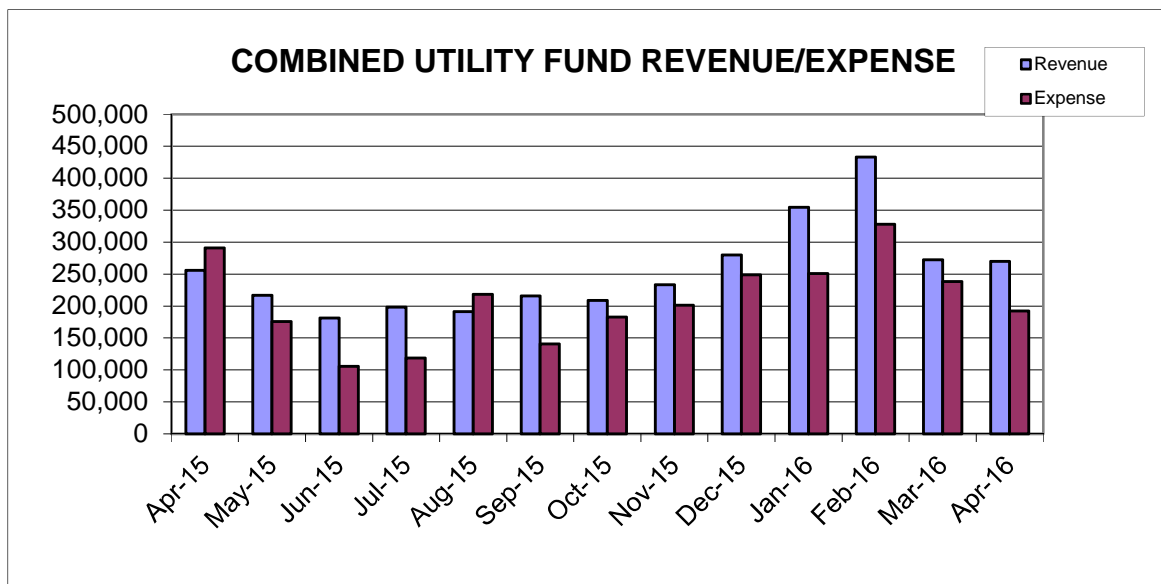
HISTORICAL UTILITY INFORMATION

As of April 30, 2016



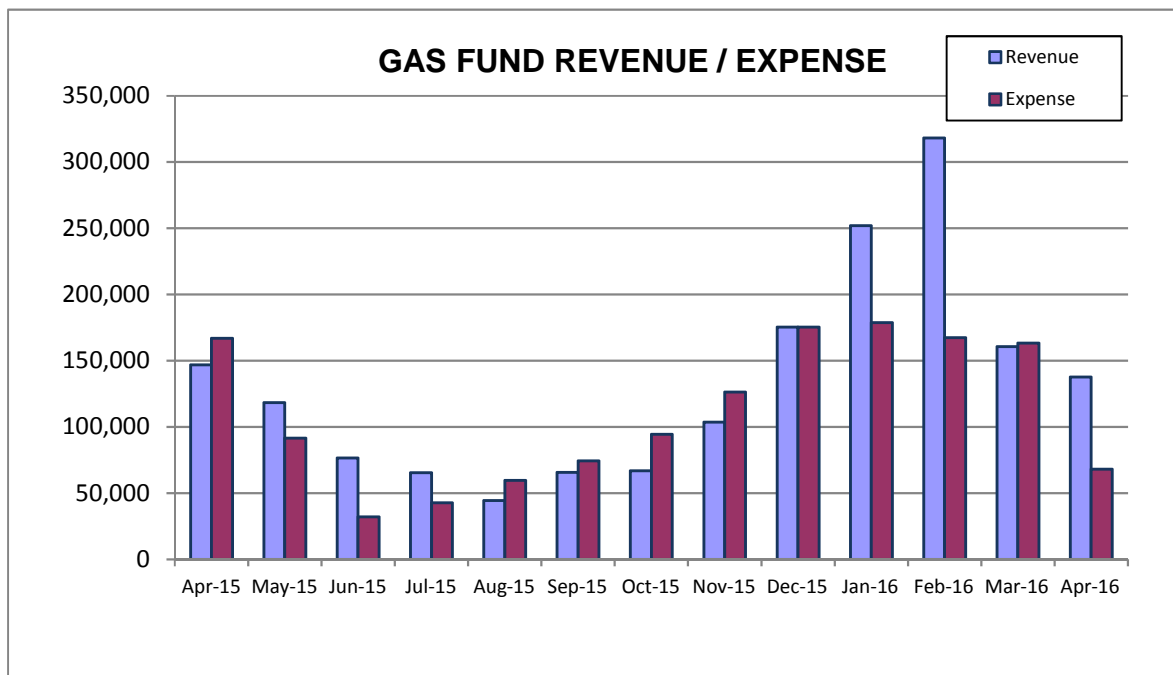
CITY OF HESSTON
COMBINED UTILITY FUND COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016

ACCOUNT	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
<u>GAS</u>					
Revenue	2,512,000	137,788	868,527	34.6%	1,643,473
Expenditures	2,674,299	68,183	577,627	21.6%	2,096,672
NET GAIN/(LOSS)	(162,299)	69,605	290,900	-179.2%	(453,199)
<u>WATER</u>					
Revenue	736,795	53,740	138,095	18.7%	598,700
Expenditures	917,517	63,054	163,617	17.8%	753,900
NET GAIN/(LOSS)	(180,722)	(9,313)	(25,522)	14.1%	(155,200)
<u>SEWER</u>					
Revenue	742,533	62,147	258,678	34.8%	483,855
Expenditures	733,560	45,673	209,752	28.6%	523,808
NET GAIN/(LOSS)	8,973	16,474	48,926	545.3%	(39,953)
<u>REFUSE</u>					
Revenue	199,063	16,194	64,666	32.5%	134,397
Expenditures	188,215	15,392	58,532	31.1%	129,683
NET GAIN/(LOSS)	10,848	803	6,134	56.5%	4,714
<u>COMBINED FUND</u>					
Revenue	4,190,391	269,870	1,329,966	31.7%	2,860,425
Expenditures	4,513,591	192,301	1,009,528	22.4%	3,504,063
NET GAIN/(LOSS)	(323,200)	77,569	320,438	-99.1%	(643,638)



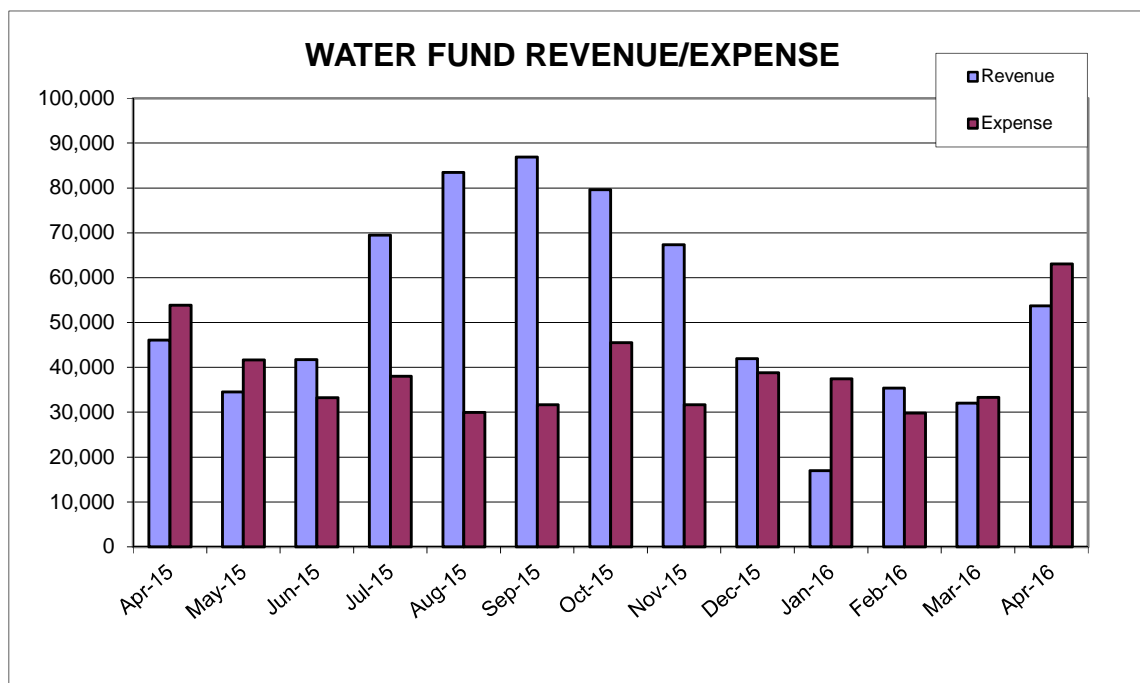
CITY OF HESSTON
GAS COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016

ACCOUNT	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
REVENUE:					
Gas Fees & Sales	2,512,000	137,788	868,527	34.6%	1,643,473
Less: Gas Purchases	1,700,000	25,671	451,970	26.6%	1,248,030
NET GAS MARGIN	812,000	112,117	416,557	51.3%	395,443
EXPENDITURES:					
Personnel	289,749	30,938	98,538	34.0%	191,211
Contractual	42,050	8,604	16,518	39.3%	25,532
Commodities	30,500	2,056	6,550	21.5%	23,950
Capital Outlay	17,000	914	4,051	23.8%	12,949
Reimbursements	0	0	0	0.0%	0
Transfers	595,000	0	0	0.0%	595,000
TOTAL EXPENDITURES	974,299	42,512	125,657	12.9%	848,642
NET GAIN/(LOSS)	(162,299)	69,605	290,900	-55.8%	(453,199)



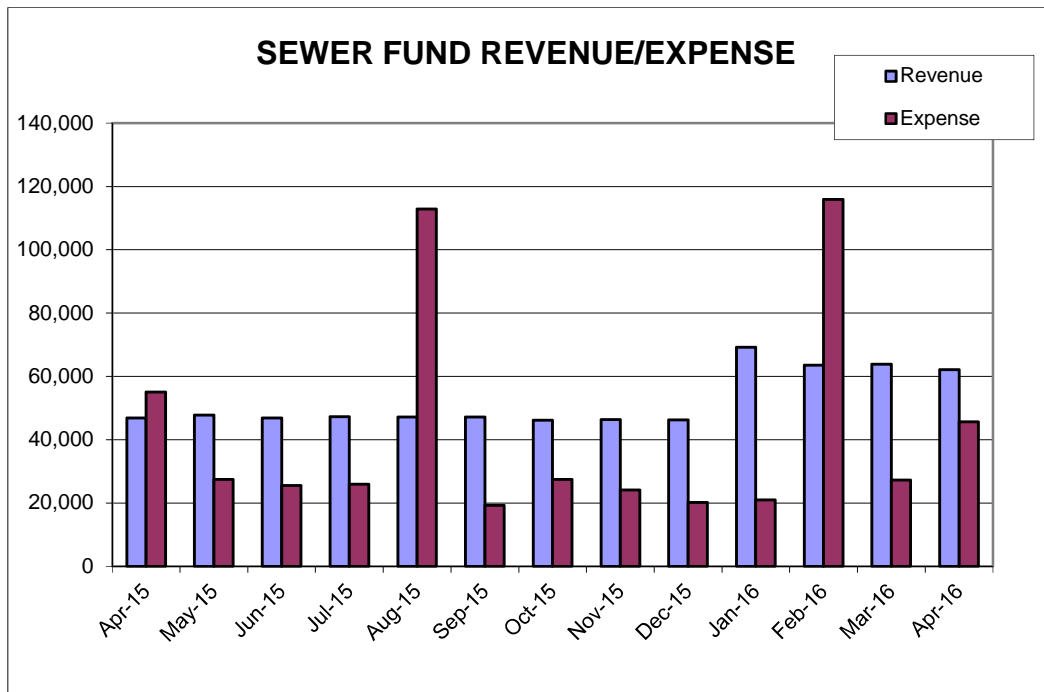
CITY OF HESSTON
WATER COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016

ACCOUNT	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
REVENUE:					
Water Fees & Sales	736,795	53,740	138,095	18.7%	598,700
EXPENDITURES:					
Personnel	291,482	32,022	99,257	34.1%	192,225
Contractual	115,300	13,665	35,440	30.7%	79,860
Commodities	52,250	2,644	13,494	25.8%	38,756
Capital Outlay	20,000	0	702	3.5%	19,298
Reimbursements	0	14,723	14,723	0.0%	(14,723)
Transfers	438,485	0	0	0.0%	438,485
TOTAL EXPENDITURES	917,517	63,054	163,617	17.8%	753,900
NET GAIN/(LOSS)	(180,722)	(9,313)	(25,522)	708.1%	(155,200)



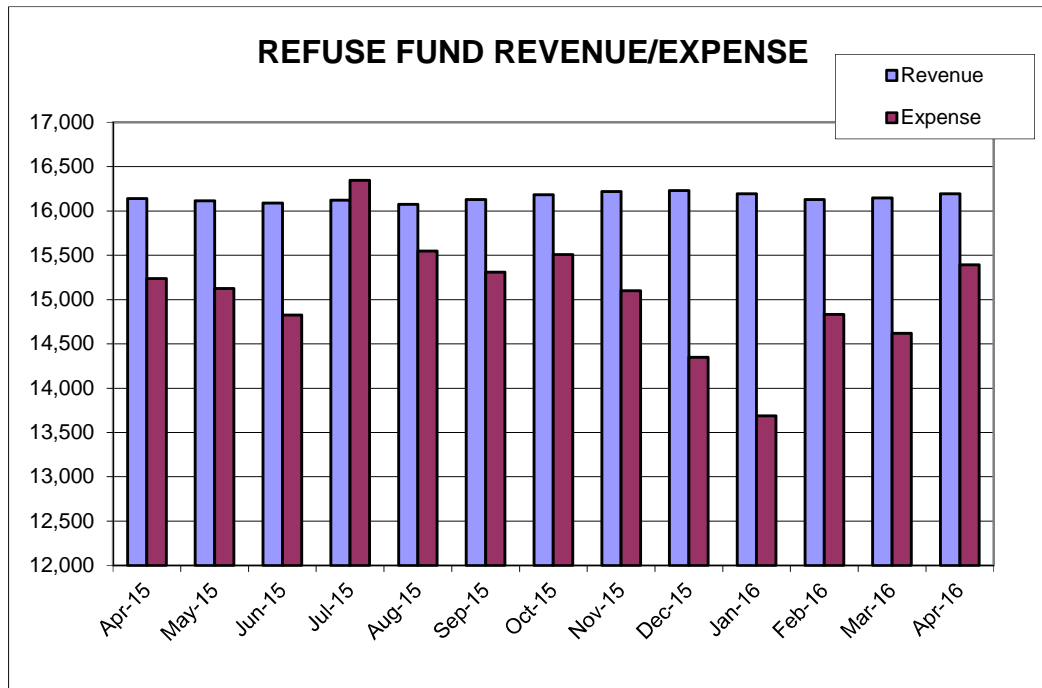
CITY OF HESSTON
SEWER COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016

ACCOUNT	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
REVENUE:					
Sewer Fees & Sales	742,533	62,147	258,678	34.8%	483,855
EXPENDITURES:					
Personnel	187,823	20,056	62,331	33.2%	125,492
Contractual	113,700	25,142	48,022	42.2%	65,678
Commodities	21,250	474	6,723	31.6%	14,527
Capital Outlay	210,787	0	92,677	44.0%	118,110
Reimbursements	0	0	0	0.0%	0
Transfers	200,000	0	0	0.0%	200,000
TOAL EXPENDITURES	733,560	45,673	209,752	28.6%	523,808
NET GAIN/(LOSS)	8,973	16,474	48,926	545.3%	(39,953)



CITY OF HESSTON
REFUSE COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016

ACCOUNT	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
REVENUE:					
Refuse Fees & Sales	199,063	16,194	64,666	32.5%	134,397
EXPENDITURES:					
Contractual	188,215	15,392	58,532	31.1%	129,683
Transfers	0	0	0	0.0%	0
TOAL EXPENDITURES	188,215	15,392	58,532	31.1%	129,683
NET GAIN/(LOSS)	10,848	803	6,134	56.5%	4,714



CITY OF HESSTON
ECONOMIC DEVELOPMENT COMPARISON OF ACTUAL TO BUDGET
For the Fourth Month Ended April 30, 2016

ACCOUNT	ANNUAL BUDGET	CURRENT MONTH	YTD TOTAL	% OF BUDGET	AVAILABLE BUDGET
REVENUE:					
Transfer From Utilities	25,000	0	0	0.0%	25,000
TOTAL REVENUE	25,000	0	0	0.0%	25,000
EXPENDITURES:					
Contractual Services*	19,800	1,105	3,452	17.4%	16,348
Commodities (33-501-315)	1,750	340	500	28.6%	1,250
Capital Outlay (33-501-401)	0	0	0	0.0%	0
Transfer to Transient Guest Tax (33-501-600)	0	0	0	0.0%	0
TOTAL EXPENDITURES	21,550	1,445	3,952	18.3%	17,598
NET GAIN / (DEFICIT)	3,450	(1,445)	(3,952)		7,402

* The housing incentive expenditure is included in the Economic Development Contractual Services line item. This line includes:
(33-501-205), (33-501-207), (33-501-219), (33-501-228)

HOUSING INCENTIVE PROGRAM (33-501-220)	15,000	1,000	1,000	6.7%	14,000
-----------------------------------------------	---------------	--------------	--------------	-------------	---------------

Note: Housing Incentive Program activity includes incentives paid as well as those committed, but unpaid.

REVOLVING LOAN PROGRAM
As of April 30, 2016

ACCOUNT	BALANCE 1/1/16	CURRENT MONTH	YTD TOTAL	BALANCE YTD
Panda Kitchen	7,097	0	0	7,097
Ledford Hospitality	160,487	0	0	160,487
Skoops	38,372	0	0	38,372
Hesston Hospitality '12	24,729	0	0	24,729
Weaver Grocers	108,668	0	0	108,668
TOTAL	339,353	0	0	339,353
Available Funds	76,863			

City of Hesston Tree Board

April 12, 7 a.m. at El Cerrito Restaurant

Present: Marty P., Nancy K., Gary V., David N., Duane B. Ken S.

Absent: Michelle P., Carl B.

1. Ken provided the revised Preferred Tree List to the Board, the list is available at City Hall
2. Comments about the Dyck Arboretum tour and TCUSA were shared, about 35 people did the tour.
3. State Arbor Day winner posters were distributed to HMS, Dyck Arboretum and the Library.
4. 70 Shumard Oak seedlings were handed out to 5th graders at HMS April 1, the Board bagged the trees prior, the remainder were free at the Library and a few planted at Heritage Park.
5. Arbor Day plans are for Wednesday the 27th, 8:30 a.m. at Heritage Park, this coincides with the HMS community service day, Ken's work crew will be the major audience, if rain, it will be in the shelter, the tree is usually preplanted, this meets one of our TCUSA requirements. The work crew generally picks trash at the big ditch/Casey's/motel area.

Next meeting: May 10, 7 a.m., El Cerrito Restaurant

Recorded by: Ken Schwanke

Hesston Recreation Board Meeting

Date: 4/12/2016

TIME 4:30-Regular Meeting

Location – HRCE Conference Room

Members present: Pat Lewis, Derek Roth, and Lee Birch. Absent were Chad Fuqua and Becky Tozier

1. Pat called the meeting to order.
2. Lee moved to accept the agenda. Derek seconded the motion. Motion passed 3-0
3. Lee moved to accept the minutes of the March meeting. Derek seconded. Motion passed 3-0
4. Brad asked for authorization to put \$1,500 towards a feasibility study. Derek moved to authorize the payment. Lee seconded. Motion passed 3-0
5. Derek made a motion to go into executive session at 4:42 for 5 minutes to discuss non-elected personnel
The board came out of executive session at 4:47
6. Derek moved to accept the check register. Lee seconded. Motion passed 3-0
7. Brad gave his director's report.
 - a. Brad gave an Ad Hoc update
 - b. Had a Emma Creek meeting in April
 - c. Pitch, Run, Hit contest is April 30
 - d. MKL baseball/ softball meeting was March 31
 - e. Swim team meetings were April 7 & 10
8. Brad is currently working on some grants to help with funding.
9. Brad completed Aquatic Facility Operator training on April 7 and 8.
10. Brad gave the budget report
11. Derek move to adjourn the meeting. Lee seconded. Motion passed 3-0
Meeting adjourned

Lee Birch - Secretary

Regular Meeting - HPL Board of Trustees
Thursday April 21, 2016 at 5:30 pm
Hesston Public Library, 300 N. Main

MINTUES

Library trustees:, Kevin Wilder, Nova Latta, Sriram Jagannathan, Juan Gomez, Ruth Hartzler

Absent: Dave Osborne, Erik Lange

Libby Albers, Director

Called to order: 5:33 PM by Kevin

1. March Minutes: Motion to approve by Nova, Seconded by Sri, All Approved

2. Treasurer's Report

- a. Monthly Financial Report:
- b. Grant Updates - Hesston Community Foundation applications - Little Free Libraries and Community Read
- c. Budget Updates - *Action item: Approve draft budget* - Motion to approve the 2017 by Sri, Seconded by Kevin, All approved.

Libby left the meeting

Executive session - 5:50 - 600pm

Libby rejoined the meeting

3. Solar Project Update - completion report submitted, awaiting final payment

4. Staff changes (small ones): Sarah Roth-Mullet has resigned, summer help will start at the end of May

5. Vacant Lot update: Owner has decided to pursue other interests. We have put it back in their court, but we will also pursue other options after the summer. Kevin with talk to MDS about the alley on the north side of the library.

6. Excel Shooting Archive - updates - calling it the #HesstonStrong archive

7. Librarian's Report

a. Calendar:

April 20: Libby off 1/2 day
April 21: Board Meeting
April 25: Libby at SCKLS semi-annual meeting
May 20-22: Libby vacation
May 30: Closed for Memorial Day Weekend

b. Programs:

Tuesdays: LibrarWii time with Clayton
Wednesdays at 10:30AM: Preschool Story time through May 18th
Saturdays from 10-Noon: Tech Time with Tyler - finish at Memorial Weekend
April 25: Guy's Read @ 7 PM
April 28: Teen Advisory Group @ 7:30 PM

May 9 & 19: School visits (SRP promotion)

May 19: Graduation celebration and Board Meeting

May 25: Sign up for SRP begins

8. Updates on Strategic Vision:

- Programming
- Marketing
- Staffing

9. Other Items

- a. We will look for prizes that fit the theme
- b. What do we want in book keep skills? Erik and Libby will study a book-keeper - Ruth, Nova, All approve.

Adjourn: 6:33 PM

Public Attendance: Justin Turner

Next meeting: 5:30 PM, May 19, 2016.....and PARTY

BUILDING PERMITS ISSUED BY MONTH								
HESSTON 2016								
Type of Permit	Jan-16 # Permits	Jan-16 Total Val.	Feb-16 # Permits	Feb-16 Total Val.	Mar-16 # Permits	Mar-16 Total Val.	Apr-16 # Permits	Apr-16 Total Val.
New Residential	1	120,000					2	380,000
Remodel Residential	2	25,000	1	18,523	1	20,000	1	30,000
New Institutional								
Remodel Institutional								
New Business								
Remodel Business								
Additon to Business								
Demolish								
Move In								
Residential Garage								
Other	3	53,250	4	30,650	2	2,463	4	25,000
Total	6	198,250	5	49,173	3	22,463	7	435,000
Type of Permit	May-16 # Permits	May-16 Total Val.	Jun-16 # Permits	Jun-16 Total Val.	Jul-16 # Permits	Jul-16 Total Val.	Aug-16 # Permits	Aug-16 Total Val.
New Residential								
Remodel Residential								
New Institutional								
Remodel Institutional								
New Business								
Remodel Business								
Addition to Business								
Demolish								
Move In								
Residential Garage								
Other								
Total	0	0	0	0	0	0	0	0
Type of Permit	Sep-16 # Permits	Sep-16 Total Val.	Oct-16 # Permits	Oct-16 Total Val.	Nov-16 # Permits	Nov-16 Total Val.	Dec-16 # Permits	Dec-16 Total Val.
New Residential								
Remodel Residential								
New Institutional								
Remodel Institutional								
New Business								
Remodel Business								
Addition to Business								
Demolish								
Move In								
Residential Garage								
Other								
Total	0	0	0	0	0	0	0	0

2016 Year to Date Building Permit Totals

<u>Type of Permit</u>	<u>YTD Total # Permits</u>	<u>YTD Total Val.</u>
New Residential	3	500,000
Remodel Residential	5	93,523
New Institutional	0	0
Remodel Institutional	0	0
New Business	0	0
Remodel Business	0	0
Addition to Business	0	0
Demolish	0	0
Move In	0	0
Residential Garage	0	0
Other	13	111,363
Total	21	\$704,886

**HESSTON
BUILDING PERMITS
2016**

DATE	ADDRESS	OWNER	CONTRACTOR	RESIDENT COST	BUSINESS COST	PERMIT #
01/04/2016	300 N. MAIN SOLAR ELEC. SYSTEM	HESSTON PUBLIC LIBRAI Other	HUFF ELECTRIC		3,250	16-2680
01/04/2016	81 HWY / MAIN SIGN	CITIZENS STATE BANK Other	MIRACLE SIGNS		40,000	16-2681
01/04/2016	425 N. WEAVER BASEMENT REMODEL	P. HOLMAN Remodel Residential	SELF	10,000		16-2682
01/18/2016	216 E. KNOTT BASEMENT REPAIR, RE	M. HASTINGS Remodel Residential	SELF	15,000		16-2683
01/29/2016	617 RANDOM RD. REROOF	B. CORRELL Other	ROOFING SERVICES	10,000		16-2684
01/29/2016	1312 WESTOVER LANE SPEC. HOUSE	MENNONITE HOUSING New Residential	SELF	120,000		16-2685
02/04/2016	1202 E. HICKORY REMODEL	C. RALEIGH Remodel Residential	HERITAGE HOME WOR	18,523		16-2686
02/10/2016	233 S. WEAVER REROOF	R. PENNER Other	EDGAR AGUILAR	4,500		16-2687
02/12/2016	405 CHARLES REROOF	K. REDDING Other	ROOFING SERVICES	11,000		16-2688
02/16/2016	429 N. WEAVER FENCE	J. ECKER Other	SELF	150		16-2689
02/19/2016	10 IRONWOOD DECK	A. PREHEIM Other	BARTEL CONSTRUCTIC	15,000		16-2690
03/02/2016	412 S. MAIN AWNING	M. GOOD Other	SELF	463		16-2691
03/07/2016	229 S. MAIN SHED	M. BROWNE Other	SELF	2,000		16-2692
03/22/2016	213 S. LANCASTER RENOVATION	A. GILMORE Remodel Residential	SELF	20,000		16-2693
04/05/2016	210 S. HESS FENCE	P. CHRISTOPHEL Other	PRO FENCING	2,500		16-2694
04/05/2016	405 WEDGEWOOD DECK	R. SCHROCK Other	LITWILLER CONSTRUC	14,000		16-2695
04/11/2016	422 N. MAIN FENCE	D. BIRDSELL Other	SELF	1,000		16-2696
04/18/2016	10 PARK VIEW RD. BEDROOM/EGRESS WI	J. VAN BERGEIJK Other	PREFERRED BUILDERS	7,500		16-2697
04/19/2016	112 EMBER WAY SPEC HOUSE	WHEAT RIDGE PARTNER New Residential	JH CONSTRUCTION	200,000		16-2698
04/19/2016	108 EMBER WAY SPEC HOUSE	WHEAT RIDGE PARTNER New Residential	JH CONSTRUCTION	180,000		16-2699
04/28/2016	760 RANDOM CT. ADDITION	M. KRATKY Remodel Residential	PREFERRED BUILDERS	30,000		16-2700



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Ordinance No. 130-2016-126 – Amend Zoning Map

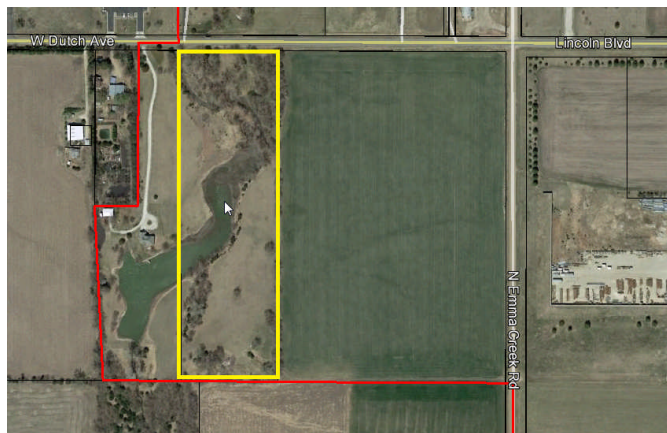
Recommendation: Adopt the Ordinance

Background Information:

Briefed by: City Administrator Gary Emry

Summary: In December 2015 the City Council annexed the property noted below in yellow into the city limits. The owner of the property, Don Typer, submitted an application to change the zoning of the property from (A-L) Agricultural to (R-1) Residential.

Amending the zoning map requires a public hearing before the Planning Commission after notice is published and mailed to area property owners. This hearing was held before the Planning Commission on March 29th. No one appeared in opposition and the Planning Commission forwarded a positive recommendation for action by the City Council.



Attachments: Ordinance & Planning Commission Minutes

ORDINANCE NO. 130-2016-126

AN ORDINANCE CHANGING THE ZONING DISTRICT CLASSIFICATION OF CERTAIN LANDS LOCATED IN THE CITY OF HESSTON, KANSAS, UNDER THE AUTHORITY GRANTED BY THE ZONING REGULATIONS OF THE CITY AS APPROVED BY ORDINANCE NO. 130-1997-086.

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

SECTION 1. Having received a recommendation from the Hesston City Planning Commission (the “Planning Commission”) on Case No. ZC-2016-001, proper notice having been given, and a public hearing having been held on March 29, 2016 as provided by law and under authority and subject to the provisions of the Zoning Regulations for the City of Hesston, the zoning district classification for the lands legally described herein are modified as follows:

Legal Description:

The Northeast Quarter (NE/4) of the Northeast Quarter (NE/4) of Section Seventeen (17), Township Twenty-two (22) South, Range One (1) West of the 6th P.M., Harvey County, Kansas, EXCEPT: Beginning at the Northeast corner of said Northeast Quarter (NE/4), thence South 00°32’56”East 1324.48 feet along the East line of said Northeast Quarter (NE/4) to the Southwest corner of the Northeast Quarter (NE/4) of said Northeast Quarter (NE/4); thence South 89°37’25”West 915.34 feet along the South line of said Northeast Quarter (NE/4) of the Northeast Quarter (NE/4); thence North 00°34’03”West 1323.63 feet to the North line of said Northeast Quarter (NE/4), thence North 89°34’03”East 924.35 feet along said North line to the point of beginning.

(the “Zoning Area”)

General location:

521 W. Lincoln Boulevard, Hesston, Harvey County, Kansas.

Zoning Change:

Change the zoning district classification for the Zoning Area from A-L Agricultural District to R-1 Single-Family Dwelling District.

Section 2. Upon the taking effect of this Ordinance, the above zoning change shall be entered and shown on the official Zoning Map(s) as previously adopted by reference and said map(s) is hereby reincorporated as a part of the Zoning Regulations, as amended. The applicant shall timely file any necessarily revised statement with the Harvey County Register of Deeds.

Section 3. This Ordinance shall take effect and be in full force from and after its adoption by the governing body of the City and publication once in the official newspaper of the City.

PASSED AND APPROVED by the Governing Body of the City of Hesston, Kansas this 9th day of May, 2016.

CITY OF HESSTON, KANSAS

[seal]

David K. Kauffman, Mayor

ATTEST:

Jason Thrasher, City Clerk

Minutes

HESSTON PLANNING COMMISSION

April 29, 2016

Members Present: Dean Leatherman, Mike Hamilton, Richard Toews, Chad Fuqua, Mel Diller, Don Schroeder, and Tyson Miller.

Members Absent: Gary Vogt

Others Present: City Administrator Gary Emry, City Clerk Jason Thrasher.

Call to Order: Vice Chairman Leatherman called the meeting to order at 7:00 pm. Mike Hamilton made a motion to approve the minutes of April 15, 2015 noting one correction. Mel Diller seconded. Motion carried 7-0.

Case #ZC-2016-001: Vice Chairman Leatherman asked Emry to explain the request before the commission. Emry explained that the parcel in question was owned by Mr. Don Typer. The parcel was annexed into the City with an agriculture zoning in December 2015. The request before the board was to re-zone the land to R-1 so that Mr. Typer can build a single-family residence on the property. Emry recommended the commission approve the request before them and send to City Council for adoption.

Chad Fuqua made a motion to approve the zoning change request from A-1 to R-1. Richard Toews seconded. Motion carried 7-0.

Nomination of Chairman: Vice Chairman Leatherman invited nominations from the floor to fill the position of Chairman. Mike Hamilton nominated Dean Leatherman for Chairman, seconded by Don Schroeder, motion carried 6-0 with Dean Leatherman abstaining.

Nomination of Vice Chairman: Chairman Leatherman invited nominations from the floor to fill the position of Vice Chairman. Richard Toews nominated Mike Hamilton for vice Chairman, seconded by Chad Fuqua, motion carried 6-0 with Mike Hamilton abstaining.

City Update: City Administrator Emry gave the Commission an update on current city projects.

There being no further business the meeting was adjourned at 7:25 p.m.

Recorded by:
Jason Thrasher, City Clerk



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Reservoir Booster Pump No. 1 Repair

Recommendation: Approve the expenditure

Background Information:

Briefed by: Utility Superintendent Scott Robertson

Summary: At the April Council meeting Utility Superintendent Scott Robertson briefed the Council on pump repairs that were needed at Water Tower reservoir. He was directed to obtain a quote for repairs. The attached quote is to repair Reservoir Booster Pump No. 1.

Financial Impact: \$15,759

Source of Funds: Utility Maintenance Reserve

Attachment: Layne Christensen quote



WATER • MINERAL • ENERGY

4/25/16

City of Hesston
115 E. Smith, P.O. Box 100
Hesston, Kansas 67062

Attn: Mr. Scott Robertson, Utility Superintendent

Re: Pump Services – Reservoir Booster Pump Number 1

Dear Scott,

Layne Christensen is pleased to provide you with a proposal for pump services the following is clarification as to what Layne has verified after recent inspection of pump assembly.

This pump was found to be identical to the #3 pump in both original condition and current operating condition. After a complete pump inspection it is evident that the three silicon bronze impellers were worn thin and beyond repair. Though experience, silicon bronze impellers do not hold up to chlorinated water and can cause premature failure to the entire pump assembly.

It is suggested that due to this premature damage the bowl assembly should be replaced and include new stainless steel impellers to stand up to chlorinated water and or other water quality issues. This upgrade in impeller material should allow for longer pump life. Please find a price schedule including all labor and material needed to get this pump back in operation.

Pump Services:

Mobilization/Demobilization –

Labor \$110/hour x 2 hours.....	\$220.
Fuel \$3.00/mile x 2 ways.....	\$180.
Field Labor –	
Rig up and install entire pump assembly and motor into location.	
\$210/hour x 8 hours.....	\$1,680.
Crane Costs for Install	\$2,700.
Shop Labor –	
Reassembly pump, apply epoxy coating, load pump, pick up motor	
and needed material for project. \$95/hour x 15 hours.....	\$1,425.
Material –	
1-each, New Bowl Assembly, WL line shaft turbine, stainless steel	
impellers, stainless steel wear rings, collets and bolting,	
8" discharge x 1.3/16"-8 LHT x 12 " stick up and epoxy coated	
.....	\$6,040.
1-each, Jump Coupling, 1.69" x 1.18" – 8LHT, SS.....	\$215.
1-each, Chesterton Mechanical (Seal Kit Only).....	\$797.
1-each, Line shaft, 1.3/16"-8LHT x 5' SS.....	\$214.
1-each, Line shaft, 1.3/16"-8LHT x 4'-5" SS.....	\$202.
1-each, Line shaft, 1.3/16"-8LHT x 2'-7.5" SS.....	\$202.
1-each, Motor Drive Shaft, 1.3/16"-8LHT x 3', keyed.....	\$270.
1-each, Adjusting Nut, 1.3/16"-8LHT.....	\$85.
2-each, Sleeves, 1.3/16" x 1.3/8" x 7", SS.....	\$70.
4-each, Shaft Couplings, 1.3/16-8LHT, SS.....	\$124.
2-each, Snap-In Rubber Bearings, 1.3/16" x 1.3/8" x 2.3/4".....	\$88.

1-each, Brass Bushing, 1.3/16" x 1.1/2" x 4" (stuffing box).....\$112.
 1-each, Existing 60 HP VHS Motor inspection & balancing.....\$433.
 10-bags, Blast Sand.....\$220.
 1-LS, Epoxy, touch up & Paint supplies.....\$145.
 1-LS, All thread, bolts, & gasket materials.....\$57.
 Freight.....\$280.

Total Price\$15,759.

The above pricing does not include applicable state and local taxes. Deliver of material to our office is 2-3 weeks from date of approval. If you have questions or comments please contact our office. It is a pleasure to serve the City of Hesston. Thank you

Sincerely,



James W. Seley, Account Manager
 Layne Christensen Company
 1011 W. Harry Street
 Wichita, Kansas 67213
 316-264-5365 office
 316-264-1274 fax
 James.seley@layne.com



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Golf Course - Zoysia Project

Recommendation: Consider the request.

Background Information:

Briefed by: Golf Course Manager Grady Pauls & Grounds Supervisor Mike Hulteen

Summary: We would like to begin discussions on converting our fairways to Zoysia. Please read through the attached information.

Financial Impact: \$200,000

Attachment: Zoysiagrass document

Zoysiagrass Makes Economic and Environmental Sense in the Transition Zone

Jack Fry, Megan Kennelly, and Rodney St. John

There are occasions when the quest for perfect playing conditions clouds our ability to make good economic and environmental decisions. Such is the case when one considers turf selection for use on tees and fairways in the transition zone, the region of turf adaptation in the middle of the U.S. with a center running from central Kansas to Washington D.C. Golf course superintendents in this zone experience summer and winter temperature extremes, high relative humidities, and the associated problems these conditions create for turfgrass growth.

Creeping bentgrass use for tees and fairways has increased in popularity in the transition zone, and particularly in the Mid-Atlantic region. At present, there are 14,332 acres of creeping bentgrass fairways and tees in the transition zone (2). Desirable characteristics of bentgrass on fairways include the high quality surface it produces when mowed at heights approaching 0.25 inches; ability to recover rapidly via strong stolon growth; and good color through much of the calendar year. These characteristics alone, however, don't make bentgrass a wise choice for fairways in the transition zone – either economically or environmentally. It's reminiscent of the line from the movie *Jurassic Park* uttered by Jeff Goldblum (Dr. Ian Malcolm), “They were so busy considering whether they could, they didn't stop and think whether they should.”

Bentgrass has high maintenance requirements, requiring significant water, pesticide, and cultivation inputs in order to maintain a high quality playing surface. Meyer zoysiagrass, the popular cultivar used on transition-zone golf courses since 1952, has relatively low maintenance requirements, and a high quality surface can be maintained with low inputs of water, fertilizer, and pesticides. At present, there are 11,462 acres of zoysiagrass fairways and tees in the transition zone (2), 2,870 fewer acres than bentgrass.

In today's economic climate, in which reports of golf courses closing are more common than reports of new ones opening, managers are keeping a close eye on expenditures. Furthermore, a plethora of research has been sponsored by the United States Golf Association over the last 25 years investigating impacts of turf management practices on the environment. Audubon International has likewise promoted sound management practices for a sustainable environment. All responsible golf course superintendents would agree that a goal of the environmentally conscious manager is to maintain a quality surface with less water, nutrient, and pesticide inputs.

As environmental stewards, it only makes sense that wise choices in turfgrass selection be made by superintendents to ensure economic and environmental sustainability. The choice to use bentgrass for fairways in the transition zone certainly comes at an economic cost, and with greater potential for a negative impact on the environment, compared to use of zoysia. For years, turf researchers, educators, and extension specialists have suggested that zoysia is a wise choice for transition zone fairways and tees, for many of the aforementioned reasons. However, the potential economic impact has never been described in detail. Herein, we compare the maintenance costs of 30 acres of hypothetical bentgrass and zoysia fairways in Kansas City, the heart of the transition zone.

Mowing

Active zoysia growth will occur from May through September; bentgrass will growth actively from March into November. Bentgrass would be mowed 24 more times during the year, and 720 more acres would be mowed compared to zoysia (Table1). In addition, 192 more hours of labor would be used to mow the bentgrass fairways than zoysia, and total expenses would be \$ 2,514 more.

Table 1. Mowing expenses for hypothetical creeping bentgrass and zoysia fairways from April 1 to Nov. 30 in Kansas City.

	Total Mowings ¹	Hours ²	Labor ³	Fuel ⁴	Total Cost
Bentgrass	84	672	\$ 5,376	\$ 3,426	\$ 8,802
Zoysia	60	480	\$ 3,840	\$ 2,448	\$ 6,288

¹For bentgrass: 2 mowings in March; 8 in April; 12 for May through Sept.; 10 in October; and 4 in November. For zoysia: 2 in April; 10 in May; 12 for June through August; 8 in September; and 4 in October.

²Assumes 8 hours of labor to mow 30 acres.

³Labor cost of \$ 8/hr.

⁴Fuel consumption at 1.7 gal/hr and a fuel cost of \$ 3.00 per gallon: 1,142 gallons for bentgrass; 816 gallons for zoysia..

Irrigation

Differences in water cost between the two grasses can be calculated by first determining average daily evapotranspiration (ET) rates. The rates in Table 2 were taken from research that has been done with these grasses in the Midwest. The total ET for creeping bentgrass from March 1 to Nov. 30 in Kansas City is estimated at 37.9 inches. Let's assume that half of all rainfall can be used by each of the grasses. Precipitation in Kansas City averages 32.5 inches from March 1 to November 30, so we'll assume 16.3 inches is available. So, 37.9 inches of ET – 16.3 inches of useable rainfall = 21.6 inches of water required. However, the research-based ET values assume that the turf is always growing under conditions where soil water is not limiting, which is not the case. Soil dries down between irrigations, and this reduces ET. For our purposes, let's assume that actual ET is 80% of ET under well watered conditions. As such, 21.6 inches x 0.80 = 17.3 inches of irrigation water needed. Conversion of 17.3 inches of water over 30 acres indicates that a total of 14,076,781 gallons would be needed for the bentgrass.

Calculations for zoysiagrass water requirements, performed as described for bentgrass, indicate that a total of 10.2 inches of water would be required, or 8,309,211 gallons (Table 2). Assuming that city water is used for irrigation, the cost of water in Johnson County, Kansas (Kansas City suburb) is \$ 3.94 per 1,000 gallons of water, after

the average winter water use amount is taken into account. The annual cost of water for bentgrass would be \$ 22,722 more than zoysiagrass. These numbers assume that the superintendent has the capability to water fairways and tees efficiently, delivering water where desired. A less efficient system would obviously minimize the difference between the two grasses.

Table 2. Average daily evapotranspiration rate (inches) of creeping bentgrass and zoysiagrass from March 1 through Nov. 30 on a hypothetical golf course in Kansas City.

	March and April	May	June to Sept.	Oct.	Nov.	Total ET (inches)	Total gallons required ¹	Total cost
Creeping bentgrass	0.08	0.10	0.20	0.10	0.08	37.9	14,076,781	\$ 55,459
Zoysiagrass	0.04	0.08	0.17	0.08	0.04	29.0	8,309,211	\$ 32,737

¹Assuming irrigation at 80% of ET.

Fertilization

For the level of quality desired, we'll make the assumption that bentgrass will receive 4 lbs. of nitrogen per 1,000 sq. ft. per year, and zoysia will receive 2 lbs, and applications to each grass will be made at the rate of 1 lb./1,000 sq. ft., four times for bentgrass, twice for zoysia (Table 3). We'll also assume that a polymer coated urea is used as the nitrogen source, and that application of other nutrients will be the same for each of the grasses. Total fertilization cost will be \$ 4,851 more for bentgrass than for zoysia.

Table 3. Nitrogen requirements and fertilization costs of 30 acres of bentgrass or zoysia at a hypothetical golf course in Kansas City.

	Total nitrogen for 30 acres (lbs.) ¹	Fertilizer cost ²	No. of applications	Fuel + labor ³	Total Cost
Bentgrass	5,228	\$ 9,515	4	\$ 186	\$ 9,701
Zoysia	2,614	\$ 4,757	2	\$ 93	\$ 4,850

¹Annual application of 4 lb. of N/1,000 ft.² to bentgrass and 2 lb. N/1,000 ft.² to zoysia.

²Application of a polymer coated urea product at \$ 1.82 per lb. of N.

³Assumes fairways can be fertilized in 4 hours (\$ 8/hr) and vehicle uses 1.2 gal of fuel per hour at a cost of \$ 3.00 per gallon.

Disease Control

Creeping bentgrass is particularly susceptible to dollar spot, and we'll assume that a preventive program will begin in June and run through October (Table 4). Brown patch is also a concern during the summer months, so a fungicide capable of controlling both brown patch and dollar spot would be employed. A combination of contact and systemic fungicides will be used through the growing season. We'll also assume that a application of a fungicide to prevent Pythium blight will be used in July and August.

The only disease of consequence in zoysia is Rhizoctonia large patch. An effective systemic fungicide would be applied in late September to areas that have a history of large patch (Table 4). Additional, localized applications may be applied after green up in the spring. For the purposes of this exercise we'll assume that half of the fairways and tees get treated one time.

Bentgrass fungicide requirements result in an expense \$ 46,686 greater than for zoysia (Table 4). In addition, 8 more applications are required on the bentgrass, which makes labor + fuel costs \$ 1,870 more expensive on the bentgrass than the zoysia.

Table 4. Annual insecticide applications and associated costs for 30 acres of hypothetical creeping bentgrass and zoysiagrass fairways at a golf course in Kansas City.

	No. of sprays ¹	Fungicide cost ²	Labor + fuel ³	Total Cost
Creeping bentgrass	9	\$ 50,966	\$ 1980	\$ 52,946
Zoysiagrass	1	\$ 4,280	\$ 110	\$ 4,390

¹Includes the fungicides Emerald (1 application in June and October), Daconil

Weatherstick (2 applications in July and 2 in August), Banner MAXX (1 application in September), and Subdue Max (1 application in July and August). Zoysia will receive one application of Prostar to 50% of the fairways (spot treatment) in late September.

³ Assumes 20 hours to treat 30 acres in one application, and a pay rate of \$ 8/hr. Fuel cost assumes that truckster carrying sprayer uses 1 gal/hr at a cost of \$ 3.00/gal.

Weed Control

Fairways of bentgrass or zoysia will receive a preemergence herbicide application in the spring (Table 5). Bentgrass will also receive two applications of Velocity for annual bluegrass control. Zoysiagrass will receive an application of a nonselective herbicide in February, during dormancy, for control of winter annuals. Total cost of weed control in bentgrass is \$ 10,637 more than in zoysiagrass. Additional herbicides, such as postemergence applications for grassy or broadleaf weeds may be needed, but won't be included in this example. Zoysia is so dense that most weed problems are minimized when it's actively growing; bentgrass would be more susceptible to weed encroachment. Growth regulators could also be used on either grass to suppress growth or improve quality; again, we'll assume no growth regulators are used for the purpose of discussion.

Table 5. Annual herbicide applications and associated costs for 30 acres of hypothetical creeping bentgrass and zoysiagrass fairways at a golf course in Kansas City.

	Appl. No. ¹	Herbicide Cost	Labor + fuel ²	Total cost
Bentgrass	3	\$ 11,682	\$ 660	\$ 12,342
Zoysia	2	\$ 1,265	\$ 440	\$ 1,705

¹Bentgrass will be treated with Barricade in early spring for control of annual grasses, and also receive two applications of Velocity for annual bluegrass control. Zoysiagrass will receive an application of Roundup Pro in February for winter annual control, and an application of Barricade in early spring for control of annual grasses.

²Assumes 20 hours to treat 30 acres in one application, and a pay rate of \$ 8/hr. Fuel cost assumes that the vehicle carrying the sprayer uses 1 gal/hr at a cost of \$ 3.00/gal.

Insect Control

All 30 acres of each grass will be treated for white grubs; southern masked chaffer is common in this part of the country, and bentgrass would also be susceptible to an infestation of black turfgrass ataenius (Table 6). In addition, it is likely that the bentgrass will require a couple of additional insecticide applications to control surface feeding insects, including cutworms. Total insecticide costs for bentgrass will be \$ 8,142 higher than for zoysia.

Table 6. Annual insecticide applications and associated costs for 30 acres of hypothetical creeping bentgrass and zoysiagrass fairways at a golf course in Kansas City.

	Appl. No. ¹	Insecticide Cost	Labor + fuel ²	Total cost
Bentgrass	3	\$ 9,911	\$ 278	\$ 12,378
Zoysia	1	\$ 4,143	\$ 93	\$ 4,236

¹Bentgrass will be treated with Merit for white grub control, and will also receive two applications of Talstar for surface feeding insects during the year. Zoysia will be treated only with Merit.

²Assumes 8 hours to apply a granular product to 30 acres in one application, and a pay rate of \$ 8/hr. Fuel cost assumes that the vehicle uses 1.2 gal/hr at a cost of \$ 3.00/gal.

Cultivation

Creeping bentgrass and zoysiagrass have a tendency to accumulate organic matter on the soil surface, and managing this is important. Creeping bentgrass is aggressively stoloniferous, and can become quite “puffy” if organic accumulation is not managed. Some golf courses have gone to the extreme of topdressing creeping bentgrass fairways with sand in an effort help minimize organic matter accumulation and the surface; we’ll leave out sand topdressing for our example.

Because the growing season for zoysiagrass in the transition zone is relatively short, superintendents prefer not to be too aggressive with thatch management. It is common to core-aerify once and verticut to break the soil up so that it will infiltrate into the canopy.

We will assume that each species will be core aerified once during the season, and that this will be followed immediately with a verticutting to break up the cores (Table 7). In addition, creeping bentgrass will receive 4 additional verticuttings, and zoysia will receive one, to help minimize thatch accumulation. In this example, annual cultivation expenses for creeping bentgrass are \$ 1,200 more than for zoysiagrass.

Table 7. Annual cultivation practices and associated costs for 30 acres of hypothetical creeping bentgrass and zoysiagrass fairways at a golf course in Kansas City.

	No. core aerifications	No of verticuttings	Labor + fuel ¹
Bentgrass	1	5	\$ 2,400
Zoysia	1	2	\$ 1,200

¹Labor costs assume 16 hours of labor for two employees (\$ 8/hr) to core aerify or verticut (1 to operate aerifier or verticutter, the other to blow off debris). Fuel cost assumes that 2 tractors, each using fuel at 1.5 gal/hr are used for each operation and cost is \$ 3.00/gallon.

Summary

At this Kansas City golf course, annual fairway maintenance costs would be \$ 98,622 less if zoysia were to be used instead of bentgrass (Table 8). Zoysia was less expensive to maintain than bentgrass in all categories evaluated: mowing, irrigation, pest control, and cultivation. Greatest differences in maintenance costs between the species were in disease control (\$ 48,556) and irrigation (\$ 22,722). Environmental benefits

resulting from choosing zoysia over bentgrass are more difficult to put a finger on, but applying less water, fertilizer, and pesticides is environmentally positive.

Some golfers have strong feelings about which surface they prefer to play on. Bentgrass has good winter color when zoysia is dormant, but midsummer quality of zoysia is often superior to that of bentgrass which is suffering from heat stress. The way the golf ball sits on each surface is also quite different: standing up high on the dense stand of zoysia, and sitting lower on the bentgrass. It is sometimes difficult to remove a divot from zoysia; whereas, toupee-like divots are common from bentgrass. As such, each grass has positive and negatives regarding year-round playability and quality.

Initial establishment of zoysiagrass can be costly. To solid sod 30 acres of ‘Meyer’ zoysiagrass would cost in the neighborhood of \$ 500,000. Strip-sodding of zoysia (1) can be done for less than half this cost, however, and is particularly helpful when conversion from perennial ryegrass is desired, and there is a desire to continue revenue flow at the golf course. Higher costs associated with zoysia establishment are quickly returned, as indicated by the numbers presented here. Even if solid sodding zoysiagrass at \$500,000, savings in maintenance costs would be recouped within 5 years after planting, and over an extended period of time, savings on zoysia compared to bentgrass would be substantial. Hopefully this comparison will help those making decisions regarding selection of fairway turfgrasses for use in the transition zone. A little common sense regarding our roles as sound economic and environmental managers can go a long way in sustainable golf course management.

Table 8. Comparison of annual expenses for maintaining a hypothetical golf course in Kansas City with 30 acres of either creeping bentgrass or zoysiagrass fairways.

Cultural Practice	Creeping Bentgrass	Zoysiagrass	Difference (Bentgrass – zoysia)
Mowing	\$ 8,802	\$ 6,288	\$ 2,514
Irrigation	\$ 55,459	\$ 32,737	\$ 22,722
Fertilization	\$ 9,701	\$ 4,850	\$ 4,851
Disease Control	\$ 52,946	\$ 4,390	\$ 48,556
Weed Control	\$ 12,342	\$ 1,705	\$ 10,637
Insect Control	\$ 12,378	\$ 4,236	\$ 8,142
Cultivation	\$ 2,400	\$ 1,200	\$ 1,152
Total	\$ 154,028	\$ 55,406	\$ 98,622

Acknowledgements

Thanks are extended to the the following persons for providing information included in this article or for reviewing it: Rick Farrant, Topeka Sod, Topeka, KS; Dale Getz, Toro Corporation, Minneapolis, MN; David Gourlay, CGCS, Colbert Hills Golf Course, Manhattan, KS; Kevin Kamphaus, golf course superintendent, Quail Ridge Golf Course, Winfield, KS.; Mark McCain, Stagg Hill Golf Course, Manhattan, KS; Nancy Scott, Water One of Johnson County, KS; Shawn Spann, Van Wall Equipment, Hutchinson, KS; Dick Stuntz, Alvamar Inc., Lawrence, KS.

References

1. Fry, J., R. Taylor, R. Wolf, R. Stuntz, and A. Zuk. 2007. Development of a strip seeder for converting cool-season turf to seeded bermudagrass. HortTechnology 17: 363 - 367.
2. Lyman, G. T., C.S. Throssell, M.E. Johnson, G.A. Stacey, and C.D. Brown. 2007. Golf course profile describes turfgrass, landscape and environmental stewardship features. Online. Applied Turfgrass Science doi:10.1094/ATS-2007-1107-01-RS.



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Water Refund Agreement

Recommendation: Approve the Agreement

Background Information:

Briefed by: City Administrator Gary Emry

Summary: A compound water meter at AGCO malfunctioned resulting in an over charge for water. This agreement will reimburse those charges.

Attachment: Water Refund Agreement

WATER REFUND AGREEMENT

This Water Refund Agreement (this "Agreement") is entered into as of March __, 2016, by and between the City of Hesston, Kansas (the "City") and AGCO Corporation, a Delaware corporation ("AGCO"). The City and AGCO are each referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

- A. The City provides water to AGCO through its municipal water utility.
- B. It has been determined that water meter reading software serving Account #03-3390-00 at the AGCO Water Treatment Plant – West – W22 (the "Meter") malfunctioned causing the City to over-charge AGCO for water provided (the "Overcharge").
- C. The Parties desire to settle fully and finally all differences between them arising out of or in connection with the Meter and Overcharge.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged, the Parties hereby agree and covenant as follows:

- 1. **Payment.** Upon execution of this Agreement, the City shall refund to AGCO, by City check, the amount of \$112,656.84.
- 2. **Mutual Release.** For the sole consideration of the covenants, deliveries, and payments set forth herein, each Party hereby completely releases and forever discharges all other Parties and any of each Party's past or present subsidiaries, parents, or affiliates or the predecessors or successors of any of them, or the affiliates of such predecessors, and its successors or assigns, and further including any past or present governing body member, director, officer, attorney, employee, representative or agent, from the beginning of time to the date of the Parties' execution of this Agreement of and from any and all past, present, or future claims, demands, obligations, actions, and causes of action, including any and all claims, or potential claims, for any and all past, present or future injuries, damages, losses, expenses, attorney fees, costs, interest, fees, fines, compensation and/or benefits of any nature whatsoever, whether or not known, suspected or claimed, and whether based upon tort, contract, statute, strict liability or any other theory of recovery, and whether for compensatory or punitive damages, which the Parties have or which otherwise were acquired prior to the date of this Agreement on account of or related to the claims the Parties asserted or which could have been asserted relating to the Meter or the Overcharge (the "Released Claims"). This release is specifically intended to be a full and final release of the Released Claims to the fullest extent as would have been appropriate if the claims had been fully and finally tried in a court of law.

The Parties hereby warrant and represent to those parties being released herein that the undersigned is the sole and lawful owner of all right, title and interest in and to all matters released herein, and that the undersigned has not heretofore assigned or transferred or purported to assign or transfer any released matter, or any part or portion thereof.

3. **Recitals.** The foregoing Recitals are hereby incorporated into this Agreement and expressly made a part hereof.

4. **No Admissions.** The Parties, and each of them, understand and agree that this Agreement and the consideration paid hereunder is not to be construed as an admission of liability on the part of any party being released herein.

5. **Confidentiality.** The Parties, their attorneys, and each of them, promise and warrant that they will undertake and do their best not to disclose any of the specific terms of this Agreement to any third parties. Further, the Parties and their attorneys agree that they will not issue any press release, media disclosure, flyers, mailers, or other publications intended for circulation among the general public with respect to any of the terms or conditions of this Agreement, including, but not limited to the settlement sum. This confidentiality provision does not prohibit any party or their attorneys from disclosing any of the terms of this Agreement if they are compelled to do so by law, including disclosure pursuant to the terms of Code of Civil Procedure §877.6, or subpoena, the Kansas Open Meetings Act, the Kansas Open Records Act, or disclosure to accountants for tax preparation services, and shall not prevent the City from discussing or considering this Agreement and related facts thereto in a meeting open to the public.

6. **Further Assurance.** The Parties agree to perform such acts and to execute any and all further documents and instruments which may be reasonably necessary or proper to effectuate and carry out the purpose, intent and effect of this Agreement. The Parties shall join in taking such other steps as may be necessary or as may be reasonably requested and otherwise use their best efforts to effectuate this Agreement and the settlement provided for herein.

7. **Participation.** Each Party to this Agreement hereby acknowledges that each Party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made in this Agreement, the same shall not be construed against any Party.

8. **Authority.** With the intent to be legally bound, each of the undersigned hereby covenants and acknowledges that he, she or it (a) has read each of the terms set forth herein, (b) has the authority to execute this Agreement for such person or entity, and (c) expressly consents and agrees that the person or entity upon behalf of which the undersigned is acting shall be bound by all terms and conditions contained herein.

9. **Independent Legal Advice.** The Parties represent, warrant and agree that each party has read and understands the Agreement, and has received independent legal advice from its attorneys, or the opportunity to seek such advice, with respect to the advisability of entering into this Agreement.

10. **Binding Effect.** This Agreement shall be binding upon the Parties including any past or present subsidiary, parent, or affiliate corporation or cooperative, or the predecessors and their successors or assigns.

11. **Entire Agreement.** This Agreement contains the entire agreement and understanding between the parties and supercedes all prior agreements and understandings, oral or written, concerning the matters covered by this Agreement.

12. **Modifications.** This Agreement may not be amended, canceled, revoked or otherwise modified except by written agreement subscribed by all of the parties hereto to be charged with such modification.

13. **Governing Law.** This Agreement and all provisions contained herein shall be construed pursuant to the laws of the State of Kansas, and any questions regarding the validity of any section or paragraph contained herein shall be determined pursuant to the laws of the State of Kansas.

14. **Severability.** The separate paragraphs of this Agreement are severable, and the finding or determination by any court of law that a certain section or paragraph of this Agreement is unenforceable shall not render the entire agreement unenforceable.

15. **Assignment.** This Agreement inures to the benefit of and is binding upon the predecessors, successors, heirs, assigns, representatives, agents, servants, employees and shareholders of the Parties hereto and each of them.

16. **Miscellaneous.** The Parties agree that, in entering into this Agreement, they are relying upon their own judgment, belief and knowledge as to all phases of their claims and further acknowledge that no promise, inducement or agreement or any representations and warranties not expressed herein have been made to procure their agreement hereto. The Parties further acknowledge that this Agreement is contractual and not merely recitals, and that they have read, understand and fully agree to the terms of the Agreement.

17. **Counterparts and Facsimile/E-Mail Signatures.** This Agreement may be executed in one or more counterparts, each counterpart to be considered an original portion of this Agreement. Facsimile and e-mail transmissions of signatures shall be accepted and binding as originals.

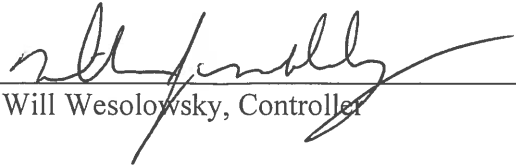
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IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

CITY OF HESSTON, KANSAS

David K. Kauffman, Mayor

AGCO CORPORATION
a Delaware corporation

By 
Will Wesolowsky, Controller



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Harvey County EDC Board of Directors Appointments

Recommendation: Mayor appoints – Council confirms

Background Information:

Briefed by: City Administrator Gary Emry

Summary: Jason Jones and Chris Thrasher currently serve on the Harvey County Economic Development Committee Board of Directors as City representatives. Both have agreed to accept reappointment. The appointments are typically for two-year terms.

Financial Impact: n/a

Attachment: HCEDC Notice Letters

500 N Main, Suite 109
Newton, Kansas 67114
316-283-6033 Office
316-283-8732 Fax
Info@HarveyCoEDC.org
www.HarveyCoEDC.org



**Harvey
County
Economic
Development**

Collaborative • Global • Growth

April 12, 2016

Mayor David Kauffman
City of Hesston
115 E. Smith
Hesston, KS 67062

Dear Mayor Kauffman:

It is that time of year again to appoint or re-appoint board members to Harvey County Economic Development Board of Directors. Our records indicate Jason Jones and Chris Thrasher, representative for the City of Hesston, will complete his term as of April of 2016.

Please indicate on the enclosed sheet who you wish to appoint (or re-appoint) to the EDC board. The appointment will officially start with the EDC's board meeting in May 2016.

If you have any questions or need additional information, please do not hesitate to call.
Thank you for your support of the Harvey County Economic Development Council, Inc.

Sincerely,

Beth Shelton

Beth Shelton
Harvey County Economic Development

Cc: Jason Jones
Chris Thrasher
Gary Emery

enclosures

Harvey County Economic Development *Board Appointment Ballot*

Individual currently appointed as a Hesston Representative:

Jason Jones

Individual appointed to serve as Representative beginning May 2016 :

Appointment Expiring:

(Check one)

- ☐ April 2017
- ☐ April 2018
- ☐ April 2019
- ☐ April 2020

Signed: _____

Date: _____

Please Return To:

Harvey County Economic Development
500 N. Main, Suite 109
Newton, KS 67114

Harvey County Economic Development *Board Appointment Ballot*

Individual currently appointed as a Hesston Representative:

Chris Thrasher

Individual appointed to serve as Representative beginning May 2016 :

Appointment Expiring:

(check one)

☐ April 2017

☐ April 2018

☐ April 2019

☐ April 2020

Signed: _____

Date: _____

Please Return To:

Harvey County Economic Development
500 N. Main, Suite 109
Newton, KS 67114



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Set Date for Awards Ceremony – Excel Incident

Recommendation: Set a date in late May

Background Information:

Briefed by: City Administrator Gary Emry

Summary: The Ministerial Alliance will decommission the Excel Incident Memorial located at the corner of Old 81 and Ridge Rd on Wednesday, May, 25th. That evening would be an ideal time to hold a ceremony to recognize all of the individuals and agencies that were involved in responding to the incident.



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Real Estate Sale Agreement

Recommendation: Approve the agreement

Background Information:

Briefed by: City Administrator Gary Emry

Summary: Final agreed upon documents related to the purchase of Country Village. If you approve this transaction, the City will have additional options for future economic development projects that will allow it to address the need for safe, affordable housing and commercial expansion over the next few decades as the community grows.

Financial Impact: \$440,000

Attachment: Real Estate Sale Agreement

REAL ESTATE SALE AGREEMENT

THIS REAL ESTATE SALE AGREEMENT ("Agreement") is entered into as of the Effective Date (as hereinafter defined) between Prestwick Investments II, LLC, a Texas limited liability company, ("Seller"), and the City of Hesston, Kansas, a municipal corporation ("Purchaser").

ARTICLE I PURCHASE AND SALE

1.1 **Agreement of Purchase and Sale.** In consideration of their covenants set forth in this Agreement, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, for the Purchase Price (as hereinafter defined) and on the terms and conditions set forth herein, the following:

(a) All of the land situated in the City of Hesston, County of Harvey, State of Kansas, described on Exhibit A attached hereto and made a part hereof, known locally as Country Village Mobile Home Park, located at 425 S. Old Highway 81, Hesston, Kansas 67062, together with all right, title and interest of Seller in and to all benefits, privileges, easements, tenements, hereditaments and appurtenances thereon or appertaining thereto, and together with all right, title and interest of Seller in and to adjacent streets, alleys and rights-of-way, which includes 135 spaces in a manufactured housing community with related amenities (the "Real Estate").

(b) All improvements and fixtures owned by Seller and located on the Real Estate ("Improvements").

(c) Seller's interest in all personal property owned by Seller located on or in the Real Estate or Improvements and used in connection with the operation and maintenance of the Real Estate or Improvements ("Personal Property"); provided, however, the Personal Property shall not include five (5) manufactured houses described on Exhibit D attached hereto and made a part hereof.

(d) Seller's interest in all leases and other agreements to occupy the Real Estate and/or the Improvements, or any portion thereof, as amended from time to time, in effect on the date of Closing Date (as hereinafter defined) (all such leases and agreements being sometimes collectively referred to herein after as "Leases").

(e) Seller's interest in all intangible property owned by Seller and used in connection with the Real Estate, Improvements and Personal Property, including specifically, without limitation, all right, title and interest of Seller in and to the following: (i) all telephone numbers, trademarks and trade names used in connection with any part of the Real Estate and Improvements, (ii) all plans and specifications, if any, in the possession of Seller which were prepared in connection with the construction of any of the Improvements, (iii) all licenses, water rights, permits and warranties now in effect with respect to the Real Estate, Improvements and Personal Property, and (iv) all written contracts in effect at Closing (as hereinafter defined) in any way relating to the Premises (as hereinafter defined), including, without limitation, all equipment leases and all rights of Seller thereunder relating to equipment or property located upon the Premises, which will survive Closing ("Intangible Property").

1.2 **Premises Defined.** The Real Estate, Improvements, Personal Property, Leases and Intangible Property are collectively referred to herein as "Premises".

1.3 Purchase Price. The purchase price for the Premises shall be four hundred forty thousand and no/100 Dollars (\$440,000), as adjusted pursuant to this Agreement (the “Purchase Price”).

1.4 Payment of Purchase Price. The Purchase Price shall be payable in immediately available funds at Closing.

1.5 Earnest Money. Within three (3) business days after the execution of this Agreement by Purchaser and Seller and delivery of the Agreement by Seller to Purchaser, Purchaser shall deposit with Regier Title, Inc. (the “Title Company”) at its office located at 129 E. Broadway, Suite 100, Newton, Kansas, the sum of five thousand and no/100 Dollars (\$5,000) in cash or immediately available funds (such sum, together with all interest accruing thereon, being hereinafter referred to as the “Earnest Money”). The Earnest Money shall be held by the Title Company in an interest-bearing account.

ARTICLE II TITLE AND SURVEY

2.1 Title Commitment. Within ten (10) days after the Effective Date, Seller shall cause the Title Company to deliver to Purchaser (a) an ALTA title commitment (“Commitment”) for an owner's policy of title insurance in the amount of the Purchase Price, and (b) legible copies of all instruments referenced in Schedule B of the Commitment.

2.2 Survey. As soon after the Effective Date as reasonably practicable through the use of good faith efforts by Purchaser but in any event not later than twenty (20) days after the Effective Date, Purchaser shall obtain two (2) originals of a survey (“Survey”) of the Real Estate and Improvements, certified on or after the date of this Agreement by Garber Surveying Service, P.A. prepared in accordance with ALTA/ACSM Surveying Standards, and requirements set forth on Exhibit B, attached hereto and made part thereof, and provide a copy of the same to Seller and the Title Company. The Survey shall be certified to the Title Company, the Seller and the Purchaser. In the event the legal description of the Property produced by the Survey differs from that set forth on Exhibit A hereto, by the expiration of the Title Review Period or, if there is a Cure Period, the expiration of the Cure Period, Purchaser or Seller may terminate this Agreement by giving written notice of such termination to the other party and authorizing the Title Company to release the Earnest Money to Purchaser. If Purchaser and Seller fail to so terminate this Agreement, then Exhibit A shall be automatically amended to conform to the legal description produced by the Survey.

2.3 Review of Commitment and Survey. Purchaser shall have ten (10) days (the “Title Review Period”) after the receipt of the last of (a) the Commitment, (b) legible copies of all instruments referred to in Schedule B of the Commitment, and (c) the Survey to notify Seller in writing of such objections as Purchaser may have to anything contained in the Commitment or the Survey. If Purchaser fails to object in writing to any item contained in the Commitment or the Survey during the Title Review Period, Purchaser shall be deemed to have waived its right to object to such item, and such item shall thereafter be deemed a “Permitted Exception”. In the event that Purchaser objects to any item contained in the Commitment or the Survey within the Title Review Period (such items being hereinafter referred to as “Title Defects”), Seller shall notify Purchaser in writing within five (5) days following the date of Purchaser's notice of such Title Defects (the “Cure Period”) which Title Defects have been, or will be at or prior to Closing, removed from the Commitment or the Survey, or otherwise cured (specifying the means of cure), as the case may be.

2.4 Failure to Cure Title Defects. If, upon the expiration of the Cure Period, Seller has not notified Purchaser that all Title Defects have been, or will be at or prior to Closing, removed from the

Commitment or the Survey, or otherwise cured, as the case may be, then Purchaser may elect (which election must be made in writing within ten (10) days following expiration of the Cure Period), as Purchaser's sole remedy, to terminate this Agreement, in which event Purchaser shall be entitled to the return of the Earnest Money. If Purchaser does not, within such ten (10) days after the expiration of the Cure Period, send written notice to Seller of its election to terminate this Agreement pursuant to the preceding sentence, then: (x) Purchaser shall be deemed to have elected to take title as it then is with only the removal and cure of Title Defects as described in Seller's notification, without any reduction in the Purchase Price, (y) all Title Defects not removed from the Commitment or the Survey will thenceforth be deemed Permitted Exceptions, and (z) this Agreement shall remain in full force and effect. If Seller fails to remove or otherwise cure by the Closing any Title Defect as Seller agreed in Seller's notification, or fails to remove or otherwise cure by the Closing any items added to the Commitment subsequent to the Title Review Period and objected to by Purchaser within a reasonable time thereafter, Purchaser, as its sole remedy, may immediately, at or before the Closing, terminate this Agreement, in which event Purchaser shall be entitled to the return of the Earnest Money.

2.5 Other Permitted Exceptions. In addition to those matters shown in the Commitment and the Survey which become Permitted Exceptions pursuant to Section 2.3 and Section 2.4 above, the Leases shall also be deemed to be Permitted Exceptions.

2.6 Owner Title Policy. Subject to the provisions of Section 2.3, Section 2.4 and Section 2.5, on the Closing Date (as hereinafter defined) Seller shall cause the Title Company to issue an owner's title insurance policy insuring fee simple title for the Real Estate in Purchaser as of the Closing Date in accordance with the Commitment, subject only to the Permitted Exceptions.

ARTICLE III DUE DILIGENCE AND FINANCING PERIOD

3.1 Premises Documents. Within ten (10) days after the Effective Date, Seller shall deliver to Purchaser copies of the documents described on Exhibit C attached hereto and made a part hereof for all purposes, to the extent such documents exist and are in Seller's possession or reasonably available to Seller (the "Premises Documents"); provided Seller shall not be required to create any document or incur any substantial cost to produce any document. Purchaser shall, if requested by Seller, execute instruments acknowledging receipt of the Premises Documents or any other document delivered or made available to Purchaser in connection with the transaction contemplated hereby. During the Due Diligence Period (as hereinafter defined), Purchaser may inspect the original Premises Documents (to the extent originals exist and are in Seller's possession or reasonably available to Seller) during normal business hours and may photocopy same at Purchaser's expense.

3.2 Right of Inspection. During the period thirty (30) days after receipt of all of the Premises Documents (the "Due Diligence Period"), Purchaser and its representatives (including Purchaser's architects, engineers and consultants) shall have the right to examine the Premises Documents and to make a physical inspection of the Premises (including the right to conduct such non-invasive soil, engineering, environmental, hazardous or toxic material, noise pollution, seismic or other physical test, study or investigation) as Purchaser may desire. Seller will not unreasonably withhold consent to invasive testing of the Premises. In this regard, Purchaser and its authorized agents and representatives shall be entitled to enter upon the Premises at all reasonable times during the Due Diligence Period, upon reasonable prior oral or written notice to Seller, subject to the right of tenants of the Premises. All inspections shall occur at reasonable times agreed upon by Seller and Purchaser and shall be conducted so as not to unreasonably interfere with use of the Premises by Seller or tenants of the Premises. Purchaser agrees that a representative of Seller may accompany Purchaser or its representatives during such

inspections. Subject to the limitations of the Kansas Tort Claims Act, Purchaser agrees to indemnify and hold harmless Seller from any and all injuries and damages suffered by Seller as a result of any inspection or testing of the Premises by Purchaser or Purchaser's representatives and contractors, which obligation shall survive the Closing.

3.3 Right of Termination. Seller agrees that in the event Purchaser determines, in Purchaser's sole discretion, that the Premises is not suitable for Purchaser's purposes, then Purchaser shall have the right to terminate this Agreement during the Due Diligence Period ("Purchaser's Termination Right"). Purchaser's Termination Right shall be exercisable only by sending written notice of termination (the "Notice of Termination") to Seller prior to the expiration of the Due Diligence Period as to a determination that the Property is not suitable. In the event that Purchaser timely exercises Purchaser's Termination Right, this Agreement shall terminate and Purchaser shall be entitled to the return of the Earnest Money. If Purchaser fails to send Seller a Notice of Termination prior to the expiration of the Due Diligence Period, Purchaser shall be deemed to have approved the Premises Documents and the Premises in all respects and Purchaser's Termination Right shall automatically and irrevocably expire.

3.4 Contracts.

(a) Within ten (10) days of the Effective Date, Seller shall prepare and submit to Purchaser a list, together with copies of all contracts, agreements, understandings or similar such arrangements, including any amendments and modifications thereto, which in any way relate to the Premises or the operation of a mobile home park on the Premises (including, without limitation, all equipment leases and rights of Seller or Seller's affiliates relating to equipment or property located on the Premises) entered into or otherwise assumed by Seller or Seller's affiliates with any third party ("Contract List"); and

(b) Upon receipt of the Contract List, Purchaser shall have ten (10) days to review the Contract List ("Contract Review Period"). On or before the expiration of the later of (i) the Contract Review Period; or (ii) five (5) business days after the receipt by Purchaser of any information requested during the Contract Review Period, Purchaser shall notify Seller of those contracts or agreements on the Contract List which Purchaser is willing to assume. At the Closing, Purchaser will expressly assume such contracts and agree to indemnify and hold harmless Seller with respect to any sum accruing thereunder on and after the Closing Date. Any contract or agreement on the Contract List not assumed by Purchaser or any other contract or agreement of Seller not on the Contract List shall remain the obligation of Seller and Seller shall indemnify and hold harmless Purchaser with respect to same, which obligation shall survive the Closing.

ARTICLE IV CLOSING

4.1 Time and Place. The consummation of the purchase and sale of the Premises (“Closing”) shall take place at the office of the Title Company on or before sixty (60) days following the Effective Date (“Closing Date”). At Closing, Seller and Purchaser shall perform the obligations set forth in, respectively, Sections 4.2 and 4.3 below, the performance of which obligations shall be concurrent conditions.

4.2 Seller's Obligations at Closing. At Closing, Seller shall:

- (a) deliver to Purchaser a Special Warranty Deed (the “Deed”), conveying the Real Estate, executed and acknowledged by Seller and in recordable form, it being agreed that the conveyance effected by the Deed shall be subject to the Permitted Exceptions;
- (b) deliver to Purchaser a Bill of Sale (the “Bill of Sale”) for the Personal Property, executed by Seller;
- (c) execute with Purchaser an Assignment and Assumption of Leases and Security Deposits;
- (d) execute with Purchaser an Assignment and Assumption of Contracts being assumed by Purchaser;
- (e) execute with Purchaser an Assignment and Assumption of Intangible Property;
- (f) execute with Purchaser a Management Agreement in substantially the form set forth on Exhibit E attached hereto.
- (g) execute with Purchaser letters to tenants at the Premises;
- (h) deliver to Purchaser a Certificate of Rent Roll (the “Rent Roll”);
- (i) deliver to Purchaser an affidavit sworn by an officer of Seller regarding certain tax matters (the “FIRPTA Affidavit”), in such form as may be prescribed by federal regulations;
- (j) execute and deliver to the Title Company an Owner’s Affidavit reasonably satisfactory to the Title Company and execute and deliver such other documentation, approvals or certificates as may be reasonably required by the Title Company; and
- (k) deliver to Purchaser possession of the Premises.

The form and substance of all such documents to be executed by Seller shall be reasonably acceptable to Purchaser and Seller.

4.3 Purchaser's Obligations at Closing. At Closing, Purchaser shall:

- (a) pay to Seller the Purchase Price, adjusted as set forth in this Agreement, in cash or immediately available funds, it being agreed that the Earnest Money shall be delivered by the Title Company to Seller at Closing and applied towards payment of the Purchase Price; and

(b) join with Seller in execution of the instruments described in Sections 4.2(c), (d), (e), (f) and (g).

4.4 Prorations. The following adjustments to the Purchase Price paid hereunder shall be made between Seller and Purchaser and shall be prorated (as applicable) on a per diem basis as if Purchaser owned the Premises for the entire day on the Closing Date:

(a) All real estate and personal property taxes and installments of special assessments ("Real Estate Taxes") for the calendar year 2015 shall be paid by Seller, to the extent they have not already been paid by Seller. All Real Estate Taxes due and payable in or for the calendar year of Closing shall be prorated between the Seller and Purchaser. If at the time of Closing the tax rate or the assessed valuation for the current year has not yet been fixed, taxes shall be prorated based upon the tax rate and the assessed valuation established for the previous tax year. Except for errors made in calculation or in the use of incorrect data, the proration of real estate taxes at Closing shall be final and no subsequent adjustments for variances in the actual tax rate or assessed valuation shall be made.

(b) Current rents, advance rentals, and other charges payable by tenants under the Leases; premiums under assigned insurance policies (if any); utility charges and deposits made by Seller with respect to common area utilities. All other items of accrued or prepaid income and expenses (except delinquent rents) shall be prorated on an accrual basis as of the Closing Date on the basis of the most recent ascertainable amounts of or other reliable information in respect to each such item of income and expenses. Security deposits shall be transferred or credited to Purchaser at Closing. Refundable cash or other refundable deposits posted with utility companies or other entities in connection with the Premises which are assignable and which are assumed by Purchaser shall be credited to Seller at Closing, or at Seller's option, Seller shall be entitled to receive and retain such refundable cash and deposits.

(c) In the event that on the Closing Date, any tenant is delinquent in the payment of rent, including any additional rent billed but unpaid at the time of Closing, said delinquent rent shall remain the property of Seller and no proration with respect thereto shall be made at Closing. It is understood and agreed that Seller may, at its option, institute litigation to collect delinquent rent, but Seller shall have no right after Closing to terminate any Lease or evict any tenant in order to collect such delinquent rent.

(d) Any additional rent accrued but unbilled on the Closing Date (including, without limitation, escalation, operating expenses and/or common area maintenance charges), shall be credited in favor of Seller. Upon receipt by Purchaser of Seller's calculations for such additional rent, to be billed to tenants in accordance with the terms and conditions of such tenants' Leases, Purchaser shall bill such tenants for all said additional rent on Seller's behalf; provided, however, that Purchaser shall not be required to terminate any Lease, file any lawsuit, or evict any tenant in order to collect such delinquent rent. It is understood and agreed that Seller may, at its option, institute litigation to collect delinquent rent, but Seller shall have no right after Closing to terminate any Lease or evict any tenant in order to collect such delinquent rent.

(e) Except as otherwise expressly provided in this Agreement, all prorations provided for herein shall be final.

4.5 Closing Costs. Seller shall pay: (a) the fees of any counsel representing it in connection with this transaction, (b) one-half (1/2) the basic premium for the Owner's Policy of Title Insurance to be issued to Purchaser by the Title Company at Closing (specifically excluding any additional premium

chargeable for endorsements or other modifications of any exceptions), (c) the fees for recording the Deed, and (d) one-half (1/2) of any closing or escrow fees which may be charged by the Title Company. Purchaser shall pay: (v) one-half (1/2) the basic premium for the Owner's Policy of Title Insurance to be issued to Purchaser by the Title Company at Closing (plus any additional premium chargeable for endorsements or other modifications of the exceptions); (w) the cost of the Survey; (x) the fees of any counsel representing Purchaser in connection with this transaction, (y) any transfer tax, documentary stamp tax, sales tax or similar tax which becomes payable by reason of the transfer of the Premises or any component thereof, and (z) one-half (1/2) of any closing or escrow fees charged by the Title Company. All other costs and expenses incident to this transaction and the closing thereof shall be paid by the party incurring the same.

4.6 Delivery of Documents. Immediately after Closing, Seller shall direct the manager of the Premises to make available at the offices of such manager all books and records of account, contracts, leases and leasing correspondence, receipts for deposits, unpaid bills and other papers or documents which pertain to the Premises together with all advertising materials, booklets, keys and other items, if any, used in the operation of the Premises.

ARTICLE V REPRESENTATIONS, WARRANTIES AND COVENANTS

5.1 Representations and Warranties of Seller. Seller represents and warrants to Purchaser, as of the Effective Date and Closing, that, to Seller's knowledge, as follows:

- (a) Seller has good and marketable title to the Premises;
- (b) Seller has received no notice from any governmental authority of any pending or threatened (i) zoning, building, fire, or health code violations or violations of other governmental requirements or regulations with respect to the Premises that have not previously been corrected, or (ii) any condemnation of the Premises. Seller further warrants and represents that in the event it receives any such notice prior to the Closing Date, it will provide to Purchaser copies of any such notice. Seller agrees to use reasonable efforts to correct any matters disclosed in such notice. If any such matter cannot be corrected by Seller by Closing, the Purchaser may immediately terminate this Agreement, and the Earnest Money shall be returned to the Purchaser.
- (c) As of the Closing Date, there will be no Leases or other agreements for occupancy in effect with respect to the Premises, except for those described upon the Rent Roll to be delivered by Seller to Purchaser at Closing;
- (d) Seller has received no notice from an insurer of defects in the Improvements which have not been corrected;
- (e) Seller has no actual knowledge of any legal actions pending or threatened against the Premises;
- (f) There are no Hazardous Substances in, on, below or otherwise affecting the Premises. The term "Hazardous Substances" means (i) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 *et seq.*), as amended and regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S. Section 9601 *et seq.*) ("CERCLA"), as amended and regulations promulgated thereunder; and (iii)

any substance the presence of which on the Premises is prohibited by any governmental requirements);

(g) Each representative of Seller executing this Agreement and any other document on behalf of Seller relative to this transaction has the authority to so act; and

(h) Seller has disclosed any issue, fact or circumstance known to Seller with respect to the Premises which would likely have a material adverse effect on Purchaser's use or operation of a mobile home park on the Premises on a going forward basis.

When used in this Agreement and Exhibits to this Agreement, the term "knowledge" of Seller, and similar phrases, means the current, actual knowledge of Robert Tonge, without investigation. Purchaser represents to Seller that Purchaser has no knowledge of any fact that would make the foregoing representations of Seller untrue. It is agreed and understood that the terms and provisions of this Section shall expressly survive the Closing and not merge therein.

5.2 "As Is, Where Is".

(a) PURCHASER HEREBY EXPRESSLY ACKNOWLEDGES THAT IT HAS OR WILL HAVE, PRIOR TO THE END OF THE DUE DILIGENCE PERIOD, THOROUGHLY INSPECTED AND EXAMINED THE PREMISES TO THE EXTENT DEEMED NECESSARY BY PURCHASER IN ORDER TO ENABLE PURCHASER TO EVALUATE THE PURCHASE OF THE PREMISES. PURCHASER REPRESENTS THAT IT IS A KNOWLEDGEABLE PURCHASER OF DEVELOPMENTS SUCH AS THE PREMISES AND THAT IT IS RELYING SOLELY ON ITS OWN EXPERTISE AND THAT OF PURCHASER'S CONSULTANTS. PURCHASER WILL CONDUCT SUCH INSPECTIONS AND INVESTIGATIONS OF THE PREMISES, INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AND SHALL RELY UPON SAME, AND, UPON CLOSING, SHALL ASSUME THE RISK OF ANY ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, THAT MAY NOT HAVE BEEN REVEALED BY PURCHASER'S INSPECTIONS AND INVESTIGATIONS. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT PURCHASER IS ACQUIRING THE PREMISES ON AN AS IS, WHERE IS AND WITH ALL FAULTS BASIS, WITHOUT REPRESENTATIONS, WARRANTIES OR COVENANTS, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE, EXCEPT FOR WARRANTIES OF TITLE CONTAINED IN THE DEED DELIVERED AT CLOSING.

(b) WITHOUT LIMITING THE GENERAL PROVISIONS OF THE FOREGOING IN THIS SECTION 5.2, IT IS UNDERSTOOD AND AGREED THAT, EXCEPT AS OTHERWISE SET FORTH IN THIS AGREEMENT, SELLER IS NOT MAKING AND SPECIFICALLY DISCLAIMS ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, AS TO (a) MATTERS OF TITLE, EXCEPT AS CONTAINED IN THE DEED DELIVERED TO PURCHASER AT CLOSING, (b) ZONING, (c) TAX CONSEQUENCES, (d) PHYSICAL OR ENVIRONMENTAL CONDITIONS, (e) AVAILABILITY OF ACCESS, INGRESS OR EGRESS, (f) OPERATING HISTORY OR PROJECTIONS, (g) VALUATION, (h) GOVERNMENTAL APPROVALS, (i) GOVERNMENTAL REGULATIONS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PREMISES. THIS DISCLAIMER INCLUDES, WITHOUT LIMITATION, (i) THE VALUE, CONDITION, MERCHANTABILITY, MARKETABILITY, PROFITABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE

OF THE PREMISES, AND (ii) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PREMISES. PURCHASER FURTHER EXPRESSLY ACKNOWLEDGES AND AGREES THAT SELLER IS NOT REPRESENTING OR WARRANTING THAT ANYTHING CAN OR WILL BE ACCOMPLISHED THROUGH PURCHASER'S EFFORTS WITH REGARD TO ANY PLANNING, PLATTING OR ZONING PROCESS, OR ANY OTHER GOVERNMENTAL AUTHORITIES, BOARDS OR ENTITIES. PURCHASER FURTHER ACKNOWLEDGES THAT SELLER HAS NOT WARRANTED, AND DOES NOT HEREBY WARRANT, THAT THE PREMISES NOW OR IN THE FUTURE WILL MEET OR COMPLY WITH THE REQUIREMENTS OF ANY SAFETY CODE, ENVIRONMENTAL LAW OR REGULATION OF THE STATE, CITY, COUNTY OR ANY OTHER AUTHORITY HAVING JURISDICTION OVER THE LAND.

(c) NOTWITHSTANDING ANY SEEMING CONTRADICTION, IT IS AGREED AND UNDERSTOOD THAT THE PROVISIONS OF THIS SECTION 5.2 ARE LIMITED SO AS TO NOT BE CONSTRUED AS DIMINISHING OR NEGATING (a) SELLER'S RESPONSIBILITY FOR ANY REPRESENTATIONS PROVIDED IN SECTION 5.1 HEREOF (BUT ONLY TO THE EXTENT EXPRESSLY PROVIDED AND FOR THE DURATION STATED), AND (b) ANY WARRANTY OF TITLE SET FORTH IN THE SPECIAL WARRANTY DEED TO BE DELIVERED BY SELLER TO PURCHASER AT CLOSING.

(d) IT IS AGREED AND UNDERSTOOD THAT THE TERMS AND PROVISIONS OF THIS SECTION SHALL EXPRESSLY SURVIVE THE CLOSING AND NOT MERGE THEREIN.

5.3 Covenants of Seller. Seller hereby covenants as follows:

(a) Between the Effective Date and the Closing Date, Seller shall continue, in the same manner done by Seller prior to the Effective Date, to maintain the Premises in its present condition, ordinary wear and tear excepted;

(b) Between the Effective Date and the Closing Date, Seller shall continue, in the same manner done by Seller prior to the Effective Date, to maintain all casualty, liability and hazard insurance currently in force with respect to the Premises;

(c) Between the Effective Date and the Closing Date, Seller shall continue, in the same manner done by Seller prior to the Effective Date, to lease, operate, manage and enter into contracts with respect to the Premises, in the same manner done by Seller prior to the date hereof, maintaining present services and sufficient supplies and equipment for the operation and maintenance of the Premises in the same manner as prior to the date hereof; provided, however, that, after the Effective Date, Seller shall not enter into any service contract that cannot be terminated within thirty (30) days' notice; and

(d) In the event Seller receives prior to the Closing any notice described in Section 5.1 above from any person or entity other than Purchaser, Seller will deliver a copy of such notice to Purchaser.

Purchaser's sole remedy for any breach by Seller of any covenant in this Section 5.3, or for any failure of Seller to correct by the Closing any matter specified in a notice under Section 5.3(d) required by law to be corrected, shall be to promptly terminate this Agreement by written notice to Seller, in which event Purchaser shall be entitled to the return of the Earnest Money.

ARTICLE VI DEFAULT; REMEDIES

6.1 Default of Purchaser. In the event Purchaser fails to perform its obligations pursuant to this Agreement for any reason except failure by Seller to perform hereunder, or the permitted termination hereof by Purchaser or Seller in accordance with the express provisions hereof, Seller shall be entitled, as its sole remedy (except for other remedies expressly provided under this Agreement, including, without limitation, obligations to indemnify and hold harmless Seller), to terminate this Agreement and recover the Earnest Money as liquidated damages and not as a penalty, in full satisfaction of claims against Purchaser hereunder. Seller and Purchaser agree that Seller's damages resulting from Purchaser's default are difficult, if not impossible, to determine and that the Earnest Money is a fair estimate of those damages which has been agreed to in an effort to cause the amount of said damages to be certain.

In respect to the obligations of Purchaser to indemnify and hold harmless Seller under this Agreement, Purchaser waives any defense based on sovereign immunity or any similar defense.

6.2 Default of Seller. In the event Seller fails to perform its obligations pursuant to this Agreement for any reason except failure by Purchaser to perform hereunder or the permitted termination hereof by Purchaser or Seller in accordance with the express provisions hereof, Purchaser may elect to terminate this Agreement by giving Seller prompt written notice of such election, in which event Purchaser shall be entitled, at the election of Purchaser, in Purchaser's sole discretion, either: (a) to sue Seller for specific performance of Seller's obligation to execute and deliver each of the documents required by this Agreement to convey the Premises to Purchaser, or (b), after Purchaser has given Seller written notice of such failure and a reasonable opportunity to cure such failure, to recover from Seller the amount of its actual damages, including any costs incurred by Purchaser in negotiation and preparation of this Agreement, in the performance of due diligence and any other actual damages and costs actually incurred or suffered by Purchaser. The remedies set forth in this Section 6.2 shall be the exclusive remedies available to Purchaser for Seller's failure to close the transaction which is the subject of this Agreement in accordance with the provisions of this Agreement.

6.3 Post-Closing Remedies. Notwithstanding the provisions of Sections 6.1 and 6.2 above, in the event that after the termination of this Agreement or after Closing, as the case may be, a party (the "Defaulting Party") breaches an obligation hereunder which is expressly stated herein to survive the termination of this Agreement or Closing, as the case may be, the Defaulting Party shall be liable to the other party (the "Non-Defaulting Party") for the actual damages incurred by the Non-Defaulting Party as a direct result of such breach.

6.4 Limitation on Damages. In no event shall any party be entitled to recover from the other party in connection with this Agreement any punitive, consequential, special or speculative damages.

ARTICLE VII RISK OF LOSS

7.1 Minor Damage. In the event of loss or damage to the Premises or any portion thereof (the "Premises in Question") which is not "major" (as hereinafter defined), this Agreement shall remain in full force and effect provided Seller performs any necessary repairs or, at Seller's option, reduces the cash portion of the Purchase Price in an amount equal to the cost of such repairs, Seller thereby retaining all of Seller's right, title and interest to any claims and proceeds Seller may have with respect to any casualty insurance policies or condemnation awards relating to the Premises in Question. In the event that Seller elects to so perform repairs upon the Premises in Question, Seller shall use reasonable efforts

to complete such repairs promptly and the Closing Date shall be extended a reasonable time in order to allow for the completion of such repairs.

7.2 Major Damage. In the event of “major” loss or damage, either Seller or Purchaser may terminate this Agreement by written notice to the other party, in which event the Earnest Money shall be returned to Purchaser. If neither Seller nor Purchaser elects to terminate this Agreement within ten (10) days after Seller sends Purchaser written notice of the occurrence of major loss or damage, then Seller and Purchaser shall be deemed to have elected to proceed with Closing, in which event Seller shall, at Seller's option, either: (a) perform any necessary repairs, or (b) pay to Purchaser the amount of any loss deductible and assign to Purchaser all of Seller's right, title and interest to any claims and proceeds Seller may have with respect to any casualty insurance policies or condemnation awards relating to the Premises in Question. In the event that Seller elects to so perform repairs upon the Premises in Question, Seller shall use reasonable efforts to complete such repairs promptly and the Closing Date shall be extended a reasonable time in order to allow for the completion of such repairs. Upon Closing, full risk of loss with respect to the Premises shall pass to Purchaser. For purposes of Sections 7.1 and 7.2, “major” loss or damage refers to the following: (x) loss or damage to the Premises or any portion thereof such that the cost of repairing or restoring the Premises in Question to a condition substantially identical to that of the Premises in Question prior to the event of damage would be, in the certified opinion of a mutually acceptable architect, equal to or greater than One Hundred Thousand and no/100 Dollars (\$100,000.00); (y) any loss due to a condemnation which permanently and materially impairs the current use of the Premises; and (z) loss or damage to the Premises or any portion thereof (or loss or damage to the property of tenants) which is anticipated to reduce the gross receipts to Purchaser over the twelve month period following Closing by ten percent (10%) or more.

ARTICLE VIII MISCELLANEOUS

8.1 Commissions and Fees. Purchaser and Seller each represent and warrant to each other that they have not engaged the services of any broker, sales agent or real estate consultants in connection with this Agreement or the transaction contemplated hereby and that no other person or entity can properly claim a right to a real estate commission, real estate finder's fee, real estate acquisition fee, or other real estate brokerage type compensation (collectively “Real Estate Compensation”) based upon the acts of that party with respect to the transaction contemplated by this Agreement. Each party hereto agrees to indemnify and defend the other against and to hold the other harmless from any and all costs, loss, liability or expense (including attorneys' fees) resulting from any claim for Real Estate Compensation by any person or entity based upon such indemnifying party's acts. The indemnity contained in this provision shall survive the closing of the transaction contemplated by this Agreement.

8.3 Notice. All notices required or permitted hereunder shall be in writing and shall be served on the parties at the following address:

If to Seller: Prestwick Investments II, LLC
Attn: Robert Tonge
P. O. Box 797465
Dallas, Texas 75379
Email: bob_tonge@prestwickinvestments.com

With a copy to: Charles T. Clark
Clark Law Firm
3824 Cedar Springs Road #350

Dallas, Texas 75219
Email: charles@clark.legal

If to Purchaser: City of Hesston, Kansas
Attn: Gary Emry, City Administrator
115 E. Smith
P. O. Box 100
Hesston, Kansas 67062
Email: gary@hesstonks.org

With a copy to: Triplett, Woolf & Garretson, LLC
Attn: Andrew N. Kovar
2959 N. Rock Road, Suite 300
Wichita, Kansas 67226
Email: ankovar@twgfirm.com

Any such notices shall be: (a) sent by certified mail, return receipt requested, and on the same or a prior date emailed, in which case notice shall be deemed delivered upon deposit, postage prepaid in the U.S. mail, (b) sent by a nationally recognized overnight courier, in which case it shall be deemed delivered one business day after deposit with such courier, or (c) delivered by hand delivery, in which case it shall be deemed delivered upon receipt. The above addresses may be changed by written notice to the other party; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

8.4 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8.5 Captions. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.

8.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns.

8.7 Entire Agreement; Modifications. This Agreement contains the entire agreement between the parties relating to the transaction contemplated hereby and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, are superseded hereby. No waiver, modification, amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought.

8.8 Partial Invalidity. Any provision of this Agreement which is unenforceable or invalid or the inclusion of which would affect the validity, legality or enforcement of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

8.9 No Merger. The acceptance of the Deed by Purchaser at Closing shall not be deemed a waiver or discharge of Seller's obligations, representations, warranties or covenants made herein and such obligations, representations, warranties and covenants shall not be deemed to merge into the documents delivered at Closing.

8.10 No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

8.11 Further Assurances. Both Seller and Purchaser agree that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively the transactions contemplated hereby.

8.12 Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

8.13 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State of Kansas, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m., Central time.

8.14 Effective Date. Upon execution of this Agreement by Purchaser and delivery of same to Seller, this Agreement shall constitute an offer by Purchaser. The "Effective Date" of this Agreement shall be the date of acceptance and execution of this Agreement by the Purchaser.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the Effective Date.

SELLER:

PRESTWICK INVESTMENTS II, LLC

Dated: _____, 2016

By _____
Name (Printed) _____
Title _____

PURCHASER:

Dated: _____, 2016

CITY OF HESSTON, KANSAS

By _____
Gary Emry, City Administrator

EXHIBIT A
LEGAL DESCRIPTION

Commencing at the Northwest Corner of the Southwest Quarter (SW/4) of Section Fifteen (15), Township Twenty-two (22) South, Range One (1) West of the 6th P.M., Harvey County, Kansas; thence South 0°06'15" East along the West line of said Southwest Quarter (SW/4), 1084 feet; thence North 89°53'45" East, 35 feet to a point of beginning; thence North 89°53'45" East, 273.86 feet to the Westerly Right of Way of U.S. Highway 81; thence South 42°18'30" East along said Right of Way, 329.43 feet to the South line of the North Half (N/2) of said Southwest Quarter (SW/4); thence South 89°48'26" East along said South line of said North Half (N/2), 6.8 feet to the Westerly Right of Way of U.S. Highway 81; thence South 42°18'30" East along said Right of Way line, 254.12 feet to the centerline of the White Eagle Oil Corporation Pipeline Easement; thence South 8°50' East along the centerline of said Pipeline Easement, 933.14 feet; thence South 89°20'56" West, 421.32 feet, said point being 428.00 feet East of the West line of said Southwest Quarter (SW/4); thence South 0°32'45" East, 208.69 feet to the South line of said Southwest Quarter (SW/4); thence South 90°00' West along said South line of said Southwest Quarter (SW/4), 30 feet to a point 399.6 feet East to the Southwest Corner of said Southwest Quarter (SW/4); thence North 0°32'45" West, 208.45 feet to a point 398 feet East of the West line of said Southwest Quarter (SW/4); thence South 89°32'10" West, 363 feet to a point 35 feet East of the West line and 205.5 feet North of the South line of said Southwest Quarter (SW/4); thence North 0°06'15" West parallel to the West line of Southwest Quarter (SW/4), 1361.12 feet to the point of beginning.

SUBJECT TO SECTION 2.2

EXHIBIT B
SURVEY INSTRUCTIONS AND CERTIFICATION

The Survey shall be made in conformance with the Minimum Standards Detail Requirements for ALTA/ACSM Land Surveys, including Table A items 1, 2, 3, 4, 7 (excluding 7[c.]), 8, 9, 11, 13, 16, and 19, a copy of which requirements are attached hereto and incorporated herein by reference.

The Survey shall reflect the same legal description contained in the Title Commitment.

EXHIBIT C
PREMISES DOCUMENTS

1. Lease Forms, including any and all modifications or amendments thereto.
2. Rules and Regulations governing tenant conduct at the Premises.
3. A rent roll for the Premises for the month in which this Agreement is executed, or if not yet available, the most recently available month, in the form customarily prepared for Seller by the current manager of the Premises, but containing, at a minimum, the name of each tenant, the rent due from each tenant, the status of payment, identifying any security deposit and the tenant who has paid the same, and each vacant lot.
4. Vendor and service contracts which are currently in effect with respect to the Premises, including, but not limited to, all agreements for the provision of janitorial, maintenance, trash removal, landscaping and security services.
5. Leasing commission agreements with respect to the Premises.
6. Operating statements for the Premises for January 1, 2014 through December 31, 2015 in the format customarily prepared for Seller by the current manager of the Premises, and operating statements for the 2014 and 2015 calendar years. Operating statements for periods requested should show occupied spaces, new occupants and new vacancies.
7. An inventory of the Personal Property to be conveyed to Purchaser at Closing.
8. Ad valorem and personal property tax statements covering the Premises for the current tax year (if available) and for the previous two (2) years (or the period of Seller's ownership of the Premises, if less).
9. Governmental licenses and permits issued with respect to the Premises, including specifically, without limitation, building permits, certificates of occupancy, special or conditional use permits and zoning, development or other local ordinances.
10. Plans and specifications for the Improvements.
11. A scale drawing of the Real Estate, including location of underground utilities.
12. Copies of all guaranties and warranties covering the Premises.
13. Environmental, soil, or engineering reports prepared with respect to the Premises.
14. Most recent Title Insurance Policy.

EXHIBIT D
MANUFACTURED HOUSES EXCLUDED FROM PERSONAL PROPERTY

EXHIBIT E
FORM OF MANAGEMENT AGREEMENT



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Property Management Agreement

Recommendation: Approve the Agreement

Background Information:

Briefed by: City Administrator Gary Emry

Summary: This is an agreement between Prestwick Investments II, LLC and the City of Hesston and is for the management of the property known as Country Village Mobile Home Park located at 425 S. Old Highway 81.

Financial Impact: \$2,500 per month

Attachment: Property Management Agreement

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "**Agreement**"), is made and entered into as of the ____ day of _____, 2016, by and between the City of Hesston, Kansas, a Kansas municipal corporation ("**Owner**"), and Prestwick Investments II, LLC ("**Manager**").

WITNESSETH

WHEREAS, Owner acquired from Manager the Property known as Country Village Mobile Home Park, located on the land described on Schedule A; and

WHEREAS, Owner intends to wind down the operation of the Property over a period of approximately one year and then terminate the operation of the Property; and

WHEREAS, Owner desires that Manager continue to manage and operate the Property during the one-year wind down period in generally in the same manner as Manager managed and operated the Property prior to such acquisition by Owner; and

WHEREAS, Manager desires to accept and assume such responsibility to operate and manage the Property during such wind down period; and

WHEREAS, Owner and Manager are entering into this Agreement to set forth the basic terms and conditions on which Manager shall so manage and operate the Property.

NOW, THEREFORE, in consideration of the foregoing and the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DEFINITIONS, APPOINTMENT, TERM AND DESIGNATIONS

Section 1.01 Definitions. Wherever used in this Agreement, the capitalized terms shall have the meanings set forth below:

"**Affiliate**" shall mean with respect to any person or entity, any other person or entity controlling, controlled by or under common control with the person or entity in question. For purposes hereof, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of any person or entity, or the power to veto major policy decisions of any person or entity, whether through the ownership of voting securities, by agreement, or otherwise.

"**Agreement**" shall have the meaning set forth in the introductory paragraph of this Agreement.

"**Approvals**" shall mean all licenses, certificates (including certificates of occupancy), consents, variances, waivers, authorizations, permits and similar approvals required for the ownership, operation, management, leasing, maintenance or occupancy of the Property by the owner thereof or the tenants or occupants thereof and issued by federal, state or local governmental authorities having jurisdiction over the Property or by private parties or associations pursuant to any Land Use Requirement.

"Business Day" shall mean Monday through Friday excluding United States holidays on which National Banking Associations are not open for business.

"Effective Date" shall mean the date set forth in the introductory paragraph of this Agreement, which shall be the date of acquisition of the Property by Owner.

"Environmental Laws" shall mean any applicable Law with respect to the release of Hazardous Substances, the regulation of the discharge of solid, liquid or gaseous waste into the environment or the placement of structures or materials into the waters of the United States, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9601 et seq.; the Resource Conservation and Recovery Act, as amended ("RCRA") 42 USC § 6901 et seq.; the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; any state, county, municipal or local statutes, laws or ordinances similar or analogous to the federal statutes listed above; and any rules, regulations, guidelines, permits, orders or the like adopted pursuant to or implementing the statutes, laws, and ordinances listed above.

"Hazardous Substance" shall mean any hazardous or toxic substance or waste as those terms are defined by any applicable Environmental Law, together with (if not so defined by such Environmental Laws), petroleum, petroleum products, oil, PCBs, asbestos, radon, mold, mildew, and viruses.

"Insurance Requirements" shall mean all present and future rules, regulations or orders of any fire department or other similar body, or any terms of any existing policies of insurance on or with respect to the Property.

"Land Use Requirements" shall mean all deed restrictions, restrictive covenants, building codes, zoning restrictions and Environmental Laws, and any other Law affecting the Real Property or Improvements, including any existing fire, health, building, handicapped persons, environmental, sanitation, use and occupancy or zoning Laws, ordinances, regulations and orders relating to the Property, including, but not limited to, The Fair Housing Act of 1988, the Americans With Disabilities Act, and all rules, regulations and guidelines promulgated thereunder.

"Laws" shall mean all present and future federal, state, county, municipal or other governmental laws, statutes, ordinances, codes, regulations, decrees and orders relative to the leasing, management, ownership, use, operation, repair, maintenance or occupancy of the Property.

"Loss" shall mean any and all direct or indirect damages, demands, claims, payments, obligations, actions or causes of action, assessments, losses, liabilities, costs and expenses, including, without limitation, penalties, interest on any amount payable to a third party, lost income and profits, and any legal or other expenses (including, without limitation, reasonable attorneys' fees and expenses) reasonably incurred in connection with investigating or defending any claims or actions, whether or not resulting in any liability. Notwithstanding the foregoing, in no event shall the term "Loss" include consequential, punitive or special damages.

"Management Fee" shall mean the management fee(s) set forth in **Section 7.01**.

"Manager" shall have the meaning set forth in the introductory paragraph of this Agreement.

"Owner" shall have the meaning set forth in the introductory paragraph of this Agreement.

"Rent Report" shall mean a monthly rent roll.

"Property" shall mean that certain real property described on Schedule A attached hereto, together with any improvements, fixtures and personal property acquired by Owner from Manager in relation to such real property.

"Property Obligation" shall mean the following: (a) all Laws and other Land Use Requirements; (b) all landlord obligations under all leases and all obligations of Manager under other contracts assumed by Owner in connection with the acquisition of the Property by Owner; and (c) all Insurance Requirements.

Section 1.02 Appointment. Owner hereby engages, appoints and employs Manager as the manager of the Property with the responsibilities and obligations and upon the terms and conditions herein set forth, and Manager, by its execution hereof, does hereby accept such appointment on such terms and conditions.

Section 1.03 Term of Agreement. Manager's duties and responsibilities under this Agreement shall begin on the Effective Date and unless renewed or terminated as expressly provided herein, shall expire at midnight immediately following 11:59 p.m. on December 31, 2016. The term of this Agreement shall be automatically renewed for additional successive one month periods, unless either party elects to terminate this Agreement by written notice to the other party given at least twenty (20) days before the end of the then existing term.

ARTICLE II GENERAL PROPERTY MANAGEMENT RESPONSIBILITIES

Section 2.01 Management Standard. Manager, consistent with Owner's goal to wind down and then terminate the operation of the Property, shall manage the Property in a substantially similar manner to the management of the Property by Manager prior to the acquisition of the Property by Owner. In doing so, Manager shall make available to Owner the full benefit of the judgment, experience, and advice of the Manager with respect to the policies to be pursued by Owner in operating the Property, and shall perform its obligations under this Agreement consistent with the standards of a prudent property manager of similar property under similar circumstances. Manager shall be available for communication with Owner and keep Owner advised of all items that affect the Property in any significant manner.

Section 2.02 Leasing Responsibilities.

(a) **Tenant Vacation.** Manager acknowledges that it is the intent of the Owner to vacate tenants from the Property. Therefore, Manager shall have no obligation to attempt to lease or renew any lease of space in the Property. Manager shall coordinate the moving out of tenants. Owner, through the Manager, may offer monetary or other incentives to tenants to vacate the Property. Manager shall not be entitled to any such incentives with respect to any homes owned or spaces leased by Manager. Manager shall notify Owner promptly upon receiving notice from a tenant of said tenant's intent to vacate the Property.

(b) Collection of Rents and Other Income. Manager shall be responsible for overseeing the collection of rents and other income and for minimizing accounts receivable and bad debts. Manager shall use commercially reasonable and diligent efforts to collect rents and other charges that may become due at any time from any tenant or from others in connection with the Property (including additional rental resulting from tenant participation in operating expenses). Monthly rents collected shall be delivered to the Owner, together with a Rent Report, on the 10th business day of month said rents were due. All other monies or monthly rents received after the 10th business day of the month due collected shall be delivered to the Owner within three (3) business days of Manager's receipt thereof. Manager may not, without the prior written approval of Owner, solicit the collection of any rent or other income more than one month in advance, and any such rent or other income received shall be collected for Owner as otherwise set forth herein. Owner acknowledges that Manager may collect rents from tenants by direct bank draft and deposit to Manager's bank account. Any rents collected in this manner shall be transferred to Owner by check or electronic transfer from Manager with all other monthly rents as set forth herein.

(c) Leasing Compliance. Without limiting the foregoing obligations of Manager, Manager shall use commercially reasonable efforts to enforce compliance with the terms of all leases, including adherence to non-monetary covenants, obligations and restrictions under the leases (such as occupancy restrictions, assignment and sublet restrictions, use restrictions, and, if applicable, operating covenants); however, Manager shall not initiate legal proceedings against any tenant without the approval of Owner

(d) Tenant Relations. Manager shall be the principal contact for tenant complaints and requests and shall use commercially reasonable efforts to ensure that all legitimate tenant complaints and requests are handled in a timely, professional and courteous manner.

(e) Leasing Records. Manager shall maintain all tenant files and any other records that relate to any tenant.

Section 2.03 Property Compliance and Cure.

(a) Scope of Compliance Obligations. Manager shall be responsible on behalf of Owner for monitoring whether or not the Property is in compliance with all Property Obligations to third parties and, subject to the terms of this **Section 2.03**, shall use commercially reasonable efforts to cause the Property to comply in all material respects with all Property Obligations to third parties. Without limiting the foregoing, Manager shall obtain, or cause to be obtained, or, if Manager cannot obtain, outline to Owner in writing what elements (funding, documentation or otherwise) Manager requires to so obtain, all necessary Approvals of third parties for the ownership, operation, management, and occupancy of the Property.

(b) Expenses. Manager shall promptly deliver to Owner all invoices and bills received by Manager for operating expenses of the Property. Manager shall not be responsible or liable for Owner's failure to timely pay, or any late payment or liability (including late payment fees, penalties or interest) with respect to the Property; provided, however, Manager shall pay for any late payment fees, penalties or interest caused by Manager's failure to promptly deliver an invoice or bill to Owner under this **Section 2.03**.

(c) Cure of Violations. Without limiting the foregoing, in the event Manager obtains knowledge of or receives any notices of violation of any Property Obligation, Manager shall promptly notify Owner not later than three (3) Business Days after Manager obtains knowledge or receipt thereof. Manager shall not contact or communicate with any third party governmental or administrative agency without the prior written approval of Owner, except in connection with routine matters or in response to a request by such agency or with respect to licenses or permits that Manager must obtain for itself generally. If, having notified Owner of a violation in accordance herewith, Owner rejects Manager's proposed response or fails to pay for the response, Manager shall not be obligated to cure such violation. Notwithstanding anything to the contrary contained herein, Manager is authorized to take such action (at its own cost of funds are not authorized under this Agreement or by specific approval of Owner) as may be necessary to prevent Manager from incurring liability for any fine or penalty or criminal liability.

(d) Emergencies. In the event of an emergency, Manager shall notify Owner as soon as reasonably practicable and provide Owner with an explanation of such emergency and any action taken on the part of Manager in response to such emergency in reasonable detail. Any utility, maintenance, repair, or construction work required as a result of an emergency shall be performed by the Owner, unless otherwise approved by owner. If Owner fails to provide assistance or approval for remedial actions within a reasonable time period after being notified of the Emergency, Manager shall be entitled to cease or continue the action to alleviate the emergency, in Manager's sole discretion, without being responsible or liable for the consequences of ceasing or continuing.

(e) Manager's Funds. Manager shall not be required or otherwise obligated to expend any of its own funds under any circumstance in relation to the Property.

Section 2.04 Physical Issues Responsibilities.

(a) Violations. Manager shall inspect the Property at regular intervals, as may be customary and reasonably expected by a property manager of similar type properties.

(b) Repairs and Maintenance. Manager shall promptly notify Owner of any necessary maintenance or repairs to the Property. Unless otherwise approved by Owner, all repairs and maintenance shall be performed by Owner. Such maintenance shall include, without limitation, exterior grounds and landscaping services, repairs to improvements, maintenance of mechanical systems and equipment, and such other normal maintenance, alteration and repair work as may be reasonably necessary or advisable under the circumstances. Manager shall use commercially reasonable efforts to ascertain the existence of any contractor or subcontractor warranty or guaranty covering any defect or item requiring repair and to submit a request to the appropriate contractor or subcontractor to repair the defect as necessary. Manager shall keep detailed records of all alterations, repairs and other work performed at the Property. Manager shall oversee all repairs and maintenance of the Property expressly approved in accordance with this Agreement, or otherwise reasonably directed by Owner.

(c) Repair/Maintenance Expenses. If Owner approves maintenance, alteration or repair work to be performed by a third party as described in this **Section 2.04**, all expenses must be: (i) an ordinary and usual expense for the operation of the Property or required by a lease; or (iii) otherwise permitted herein or approved in writing by Owner. It is acknowledged by Owner

that, when maintenance, alteration or repair work to be performed by a third party, it is likely that contractors previously used by Manager in the repair and maintenance of the Property will continue to be used by Manager without a bidding process.

Section 2.05 Property Operations Responsibilities.

(a) Service Procurement. Manager, consistent with the previous management of the Property, shall use commercially reasonable efforts to procure cost effective, quality services, labor and supplies for the management and operation of the Property. Manager shall give Owner the benefit of whatever discounts, rebates or other financial benefits may be received with respect to the same for bulk purchasing or otherwise; Manager shall use commercially reasonable efforts to obtain such discounts and benefits. Manager shall be responsible for the day-to-day oversight of the foregoing, and ensure that all such services, labor and supplies are provided by qualified contractors who, based on Manager's opinion, are not compensated above competitive market rates for the applicable services, labor and supplies. Notwithstanding the foregoing, only if approved by Owner and subject to terms approved by Owner in each instance, Manager may engage Affiliates of Manager to perform or provide such services, labor and supplies, so long as such Affiliates are qualified and their charges are competitive and consistent with industry standards and otherwise in accordance with the requirements of this Agreement. Upon execution of this Agreement, Manager shall provide Owner a list of all vendors providing service, labor, or materials for the operation of the Property.

(b) Taxes. In the event bills for real estate and personal property taxes, improvement assessments and other like charges, which are or may become liens against the Property, are delivered directly to Manager or the Property, Manager shall promptly deliver the same to Owner. Manager is not responsible for obtaining, verifying or, on behalf of Owner, paying real estate and personal property taxes, improvement assessments and other like charges. Owner assumes all responsibility for real estate and personal property taxes, improvement assessments and other like charges.

(c) Service Contracts. To the extent not covered by service contracts assumed by Owner on acquisition of the Property, Manager shall arrange for all services necessary for the operation of the Property, including, but not limited to, services related to: electricity, gas, water and sewer, telephone, pest control, landscaping, security, parking lot maintenance and trash removal. Unless otherwise agreed in writing by Owner, all service contracts shall: (i) be in the name of Manager (as property management agent for Owner); (ii) be freely assignable to Owner or Owner's nominee; (iii) include a provision for cancellation thereof without payment of a fee or penalty by Owner or Manager upon not more than thirty (30) days' prior written notice or upon sale of the Property; and (iv) require the service provider to work in harmony with all employees, contractors and laborers engaged by Manager or Owner in connection with the Property. If this Agreement is terminated pursuant to **Article XI** hereof, Manager shall, at Owner's option, assign to Owner or Owner's nominee all service contracts pertaining to the Property, provided such service contracts comply with this subsection.

(d) Environmental Compliance. Manager shall use commercially reasonable efforts to monitor whether any Hazardous Substance is being stored, used or discharged by any tenant or other party at the Property and shall promptly notify Owner of: (i) any storage, dumping, use

or leakage of any such Hazardous Substance on or near the Property of which Manager becomes aware or receives written notice; and (ii) any areas of potential concern that Manager may have relating to Hazardous Substances that may affect the Property, including, but not limited to, water infiltration or mold or Microbial Material.

Section 2.06 Independent Contractor.

(a) Independent Contractor. The parties hereby agree Manager is an independent contractor. This Agreement is intended to create an independent contractor relationship between Manager and Owner for the purposes of federal, state and local law, including the Internal Revenue Code of 1986, as amended. Manager is not an employee of Owner and, therefore, is not entitled to any benefits to which employees may be entitled under state or federal law, including health insurance, retirement, vacation, sick leave, workers' compensation or unemployment compensation benefits. Manager assumes full responsibility for payment of all taxes or assessments on compensation earned and paid hereunder, under all applicable federal, state and local laws, including, but not limited to, income tax and self-employment tax. Owner shall not withhold any federal, state or local taxes from Manager's compensation and shall not pay any social security and/or Medicare taxes attributable to such compensation. Manager agrees to indemnify, defend and hold Owner and Owner's governing body members, officers, agents and employees harmless for and against any claimed or actual taxes or assessments, or fees, fines or penalties in connection therewith, related to compensation under, or for work performed by Manager pursuant to, this Agreement.

(b) Performance of Work. Except as otherwise set forth in this Agreement, Manager shall have full control over the methods, techniques, and procedures for performing his obligations under this Agreement, shall establish the necessary priorities and sequence required for the work hereunder, and, subject to the terms of this Agreement and the reasonable direction of Owner, shall determine when, where and how to complete his obligations under this Agreement. Manager shall provide all such labor, office space, necessary equipment (including computer) materials, assistance and staff or independent contractors as he or she shall from time to time deem necessary to perform his obligations under this Agreement. Owner shall not provide to Manager any other work materials or equipment. Manager is not expected to devote substantially all of his or her time to the performance of his obligations under this Agreement, shall not have any set hours of work and shall not maintain an office at the City of Hesston, Kansas. Nothing herein shall restrict Manager from other gainful work and shall not restrict Manager (by implication or otherwise) from serving other lawful clients provided that the allocation of time to other matters shall not adversely affect performance by Manager under this Agreement.

(c) Employees. Manager agrees to indemnify, defend and hold Owner and Owner's governing body members, officers, agents and employees harmless for and against any claimed or actual taxes or assessments, or fees, fines or penalties in connection with any employees of Manager, related to compensation under, or for work performed by any employee of Manager related to the Property.

Section 2.07 Miscellaneous Responsibilities.

(a) Legal Counsel. Manager shall not retain or employ the services of legal counsel on behalf of Owner without Owner's prior written approval.

(b) Political and Charitable Contributions. Manager shall not make any political or charitable contributions on behalf of Owner without the prior written approval of Owner.

(c) General Cooperation. Should any claims, demands, suits or other legal proceedings be made or instituted by any third party against Owner, which arise out of any of the matters relating to the Property, Manager shall give Owner all pertinent information within its possession and reasonable assistance in the defense or other disposition thereof, but in no event shall Manager be obligated to expend any sums or incur any expenses in connection therewith. In all matters related to Manager's duties under this Agreement, Manager shall reasonably cooperate, at no material expense to Manager, with all outside consultants, contractors, attorneys and agents retained by Owner.

(d) Subsidiaries and Affiliates. Subject to Section 2.05, any contract or lease of any kind whatsoever between Manager, on behalf of Owner, and any Affiliates of Manager, in relation to the Property, shall be subject to the prior written approval of Owner, which approval may be withheld in Owner's sole discretion.

ARTICLE III MANAGEMENT REPORTING REQUIREMENTS

Section 3.01 Rent Reports (and Other Information). Manager shall prepare and present to Owner an Rent Report on or before the 5th day of each month together with all monthly rent received by said date. If requested by Owner, Manager shall consult with Owner to discuss the issues raised in the Rent Report or other topics of concern to Owner. Upon reasonable prior notice by Owner, Owner may reasonably require Manager to consult more frequently. Manager shall also provide any written reports and information which may be reasonably requested by Owner from time to time.

ARTICLE IV RESERVATION OF OWNER'S RIGHTS

Section 4.01 Right to Audit. Owner reserves the right to conduct examinations of (including making copies of) the books and records maintained by Manager with respect to the Property wherever located. From time to time during normal business hours, Owner reserves the right to perform any and all additional audits it deems necessary, in its sole and absolute discretion, relating to the activities performed by Manager pursuant to this Agreement and relating to the Property. Any such audit shall take place either at the Property or at any office of Manager. If Owner shall uncover any discrepancies in any of the books and records of the Property, Owner shall notify Manager in writing of such discrepancies and Manager shall have ten (10) days to provide Owner with a written notice of the actions recommended to be taken to correct such discrepancies and the date by which the discrepancies shall be expected to be corrected. Any and all audits shall be at the sole expense of Owner. Without limiting the obligations of Manager elsewhere in this Agreement, Manager shall take all reasonable actions directed by Owner in connection with any such examinations, including the production and explanation of all documents, books and records, the distribution of any requested copies thereof, and the delivery of all requested information by such examining parties.

Section 4.02 Right of Entry Nothing in this Agreement shall be deemed to limit Owner's right to do anything regarding the Property which an owner of the Property would otherwise be entitled to do, including but not limited to the right to enter upon the Property, to inspect the Property, to perform

any repair or maintenance thereof, and to do anything required of Manager hereunder if Manager fails to do so in a timely manner.

ARTICLE V INSURANCE

Section 5.01 Manager's Insurance. Manager shall continuously maintain at its cost and furnish Owner certificates evidencing the existence of commercial general liability including contractual liability in the amount of \$500,000 per occurrence and \$1,000,000 general aggregate. Each certificate shall contain an endorsement that Owner shall be given at least thirty (30) days prior written notice of cancellation of or any material change in the policy. Owner shall not reimburse Manager for Manager's cost of such insurance or for any and all other coverages that Manager obtains for its own account in relation to the Property.

Section 5.02 Cooperation with Insurance Carriers. Manager shall cooperate with and provide reasonable access to the Property to agents of any and all insurance companies and/or insurance brokerages or agencies who may, from time to time, be involved with the issuance of insurance policies or with inspections of the Property in connection with insurance policies then in force. Manager agrees to use all reasonable efforts to comply with any and all requirements of such insurance companies or their agents, and agrees to exercise due care not to use the Property or permit the same to be used for any purpose which would make void or voidable any of such insurance policies, and shall not knowingly allow to be kept on the Property any material, machinery, equipment, substance or other things which may make void or voidable any such insurance policies.

Section 5.03 Compliance with Insurance Policies. Manager shall use reasonable efforts to comply with any insurance policy held by Owner and of which Manager has received any written notice or record (but Manager shall be obligated to make reasonable inquiries regarding policy terms, requirements and conditions), with respect to the Property so as to avoid any loss insured thereunder from being uncollectible. Owner shall, upon Manager's request, furnish Manager with appropriate certificates evidencing the insurance required to be maintained by Owner hereunder.

Section 5.04 Insurance Claims. Manager shall promptly investigate all accidents, claims or damage relating to the ownership, operation and maintenance of the Property and any damage or destruction to the Property of which it becomes aware. Manager shall prepare a written notice to the applicable insurance company describing the matter at issue and Manager shall send a copy of such notice to Owner contemporaneously with sending such notice to the insurance company within three (3) days of becoming aware of the matter. Manager shall take no action which may operate, or omit to take any action which Manager knows or as a professional property manager should know to be required and which, if not taken, may operate: (a) to bar Owner from obtaining any protection or payment under any policies of insurance held by either Owner or Manager; or (b) to prejudice Owner's defense in any legal proceeding arising out of, or otherwise prevent Owner from protecting its interests against, any such claim; provided, however, nothing herein shall be construed to prohibit or restrict Manager from cooperating with any investigation in good faith. If any such accident, claim, damage or destruction shall result in the commencement of a lawsuit or other similar proceeding, Manager shall, at Owner's cost and no cost to Manager, cooperate with Owner in connection therewith as shall be reasonable. Owner or its insurance carrier shall have the exclusive right, at Owner's option, to conduct the defense of any claim, demand, liability or suit to the extent Owner is responsible and Manager is not responsible. Manager shall have no right to settle, compromise or otherwise dispose of any claims,

demands, liabilities or suits against Owner, whether or not covered by insurance, without the prior written approval of Owner. Manager (or its insurers, as applicable) shall have the exclusive right to control the defense and settlement, compromise or other disposition of any claim, demand, liability or suit to the extent Manager is responsible.

Section 5.05 Financial Condition of Carriers. The carrier for Manager coverage required above should be A.M. Best insurer financial strength rating of A- or better (if unavailable, S&P, A- or better will be acceptable), and financial size category of IX or larger.

ARTICLE VI STANDARD OF CARE; LIABILITY; INDEMNITY

Section 6.01 Standard of Care. Subject to budgetary constraints and limitations, Manager shall perform its duties and obligations under this Agreement in good faith and in a commercially reasonable diligent manner consistent with the previous management of the Property by Manager on its own behalf.

Section 6.02 Indemnity of Owner. Manager shall, and Manager does hereby agree to, indemnify, defend and forever hold harmless Owner and Owner's governing body members, officers, agents and employees (collectively, "Owner Indemnified Parties") from and against any Loss (except to the extent covered by Manager's or Owner's insurance or required to be carried by Owner hereunder) which any Owner Indemnified Party may suffer or incur, or which may be asserted against an Owner Indemnified Party, whether meritorious or not, to the extent caused by: (a) the negligence or intentional misconduct of Manager or its members, officers, agents or employees; (b) acts by Manager outside of the scope of authority granted under this Agreement; or (c) the breach by Manager of the terms and conditions of this Agreement, which indemnity shall continue notwithstanding the expiration or earlier termination of this Agreement with respect to any occurrence preceding such expiration or termination; provided, however, that in no event shall the indemnity provided under this sentence of this **Section 6.02** extend to any Loss if and to the extent the same is caused by the negligence or intentional misconduct of Owner or its members, officers, agents or employees. Subject to any limitations provided by the Kansas Tort Claims Act, Owner shall, and Owner does hereby agree to, indemnify, defend and forever hold harmless Manager and Manager's members, officers, agents and employees (collectively, "Manager Indemnified Parties") from and against any Loss (except to the extent covered by Manager's or Owner's insurance or required to be carried by Owner hereunder) which any Manager Indemnified Party may suffer or incur, or which may be asserted against a Manager Indemnified Party, whether meritorious or not, to the extent caused by: (a) the negligence or intentional misconduct of Owner or its members, officers, agents or employees; or (b) the breach by Owner of the terms and conditions of this Agreement, which indemnity shall continue notwithstanding the expiration or earlier termination of this Agreement with respect to any occurrence preceding such expiration or termination; provided, however, that in no event shall the indemnity provided under this sentence of this **Section 6.02** extend to any Loss if and to the extent the same is caused by the negligence or intentional misconduct of Manager or its members, officers, agents or employees. In respect to the obligations of Owner to indemnify and hold harmless Manager under this Agreement, Owner waives any defense based on sovereign immunity or any similar defense.

Section 6.03 Relationship to Insurance. In no event shall the indemnification provisions of **Section 6.02** above, diminish, affect, impede or impair, in any manner whatsoever, the benefits to which

any party may be entitled under any insurance policy with respect to the Property required by this Agreement or otherwise, or under the terms of any waiver of any subrogation contained therein.

ARTICLE VII COMPENSATION

Section 7.01 Management Fee. During the term hereof, Manager shall receive from Owner the Management Fee in the amount of Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) per month, which Management Fee shall be payable monthly in arrears and prorated to the extent the Effective Date does not fall on the 1st day of a month or the expiration or termination date does not fall on the last day of a month. Manager shall invoice Owner for the Management Fee monthly and the Management Fee will be paid by Owner as an expense of the Property through Owner's ordinary payment procedures.

Section 7.02 Lot Rent. For the first three (3) months of the term of this Agreement, Manager may lease Lots #B-4, #B-5, #B-8, #R-66, and #O-107 without rent. After the first three (3) months of the term of this Agreement, Manager may lease each of said lots for \$200 per month.

ARTICLE VIII TERMINATION

Section 8.01 Termination with Notice. Notwithstanding anything to the contrary contained in this Agreement, Owner or Manager may terminate this Agreement without cause by giving the other party at least thirty (30) days prior written notice.

Section 8.02 Termination Without Notice. The occurrence of any one or more of the following events shall be deemed to be a default hereunder justifying, at Owner's option, the immediate termination of this Agreement:

(a) Manager breaches this Agreement and such breach is not cured within ten (10) days after receipt by Manager of written notice by Owner specifying the nature of the breach; provided, however, that in the event is not capable of cure within such ten (10) day period, such ten (10) day cure period shall be extended for a reasonable period of time not to exceed thirty (30) days; or

(b) Manager files a petition for bankruptcy, reorganization or arrangement under any federal or state statute, or makes an assignment for the benefit of creditors, or takes advantage of any insolvency statute, or an involuntary petition of bankruptcy or insolvency under the laws of the federal government or of any state is filed against Manager and Manager shall fail to dismiss the same within sixty (60) days.

Section 8.03 Consequences of Termination Except as otherwise expressly provided herein, upon termination of this Agreement, Manager's right to compensation shall cease except for any amounts payable hereunder accruing before the date of termination.

Section 8.04 Final Accounting and Deliveries.

(a) Upon termination of this Agreement for any reason, Manager shall use commercially reasonable efforts to cooperate with Owner to accomplish an orderly transfer of the operation and management of the Property to a party designated by Owner and deliver to Owner (and to any other party as designated by Owner) the following with respect to the Property:

(i) A final accounting, reflecting the balance of income and expenses on the Property as of the date of termination to be delivered within ten (10) days after such termination;

(ii) Any balance or monies of Owner and tenant security deposits held by Manager with respect to the Property to be delivered immediately upon such termination;

(iii) All original books and records, contracts, leases, receipts for deposits, unpaid bills, on and offsite inventory, data and all computer databases for all information related to the Property in Manager's computer database (or computer diskettes which may be accessed without the use of a special password) and other papers or documents which pertain to the Property, immediately upon the termination; and

(iv) All payments, invoices, notices or other communication or delivery received by Manager with respect to the Property.

(b) Manager further agrees to do all other things reasonably necessary on an ongoing basis until the transfer is complete in Manager's good faith determination.

ARTICLE IX NOTICES

Section 9.01 Notices. All notices required or permitted hereunder shall be in writing and shall be served on the parties at the following address:

If to Manager: Prestwick Investments II, LLC
Attn: Robert Tonge
P.O. Box 797465
Dallas, Texas 75379
Email: bob_tonge@prestwickinvestments.com

With a copy to: Charles T. Clark
Clark Law Firm
3824 Cedar Springs Road #350
Dallas, Texas 75219
Email: charles@clark.legal

If to Owner: City of Hesston, Kansas
Attn: Gary Emry, City Administrator
115 E. Smith

P. O. Box 100
Hesston, Kansas 67062
Email: gary@hesstonks.org

With a copy to: Triplett, Woolf & Garretson, LLC
Attn: Andrew N. Kovar
2959 N. Rock Road, Suite 300
Wichita, Kansas 67226
Email: ankovar@twgfirm.com

Any such notices shall be: (a) sent by certified mail, return receipt requested, and on the same or a prior date emailed, in which case notice shall be deemed delivered upon deposit, postage prepaid in the U.S. mail, (b) sent by a nationally recognized overnight courier, in which case it shall be deemed delivered one business day after deposit with such courier, or (c) delivered by hand delivery, in which case it shall be deemed delivered upon receipt. The above addresses may be changed by written notice to the other party; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

ARTICLE X MISCELLANEOUS

Section 10.01 No Partnership; Limited Agency. Nothing herein contained shall constitute or be construed to be or create a partnership or joint venture between Owner and Manager and Manager is and shall remain an independent contractor in connection herewith. Manager shall act solely as the agent of Owner in the performance of its duties and obligations under this Agreement with respect to the Property only, and shall not exceed the authority granted by Owner as the same may be amended by Owner from time to time while this Agreement is in effect.

Section 10.02 No Assignment. This Agreement and all rights hereunder, shall not be assignable by either party without the other party's prior written approval, which consent may be withheld in such other party's reasonable discretion. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns to the extent assignment is permitted hereunder.

Section 10.03 Consent and Approvals. Owner's consents or approvals may be given only by the Mayor or City Administrator of Owner from time to time designated in writing by Owner. All such consents or approvals shall also be in writing. The consent or approval by Gary Emry shall be irrefutable evidence establishing full authority of the Owner unless Manager has been given notice to the contrary.

Section 10.04 Pronouns. The pronouns used in this Agreement shall be understood and construed to apply whether the applicable person be an individual, partnership, corporation or other entity or an individual or individuals doing business under a firm or trade name.

Section 10.05 Amendments. Except as otherwise herein provided, any and all amendments, additions or deletions to this Agreement or any Schedules shall be null and void unless approved by the parties in writing.

Section 10.06 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

Section 10.07 Representations. Manager represents and warrants that, to the best of its knowledge without inquiry, it is fully qualified and licensed, if and to the extent required by Law, to manage a property of the same type and size as the Property and perform all obligations assumed by Manager hereunder. Manager agrees to comply with all such Laws respecting its qualification to manage a property of the same type and size as the Property.

Section 10.08 Complete Agreement. This Agreement and the Schedules attached hereto (which Schedules are incorporated herein by this reference for all purposes) supersede and take the place of any and all previous management agreements entered into between the parties hereto relating to the Property.

Section 10.09 Time of the Essence. The parties agree that time is of the essence with respect to the deadlines set forth in, and the term of, this Agreement. Any deadline for performance by Manager shall be extended by applicable force majeure.

Section 10.10 Governing Law. This Agreement shall be deemed to have been made and shall be governed by and construed and interpreted in accordance with the laws of the State of Kansas without regard to such jurisdiction's principles of conflicts of law. The parties hereto submit to personal jurisdiction in the State of Kansas for the enforcement of the provisions of this Agreement and waive any and all rights to object to such jurisdiction for purposes of litigation to enforce this Agreement.

Section 10.11 Non-Waiver. The failure of Owner or Manager to seek redress for violation or to insist upon the strict performance of any covenant, agreement, provision or condition of this Agreement shall not constitute a waiver of the terms of such covenant, agreement, provision or condition, and Owner and Manager shall have all remedies provided herein and by applicable law with respect to any subsequent act which would have originally constituted a violation.

Section 10.12 Owner's Limited Liability. No members, officers, agents, or employees of either party shall be personally liable for the performance of such party's obligations under this Agreement. Manager shall look solely to Owner's interest in the Property for the satisfaction of any right or remedy of Manager under this Agreement, or for the collection of any judgment or any other liability of Owner hereunder.

Section 10.13 Liens. This Agreement shall not create an interest in real property and it shall not be recorded in the public records of any jurisdiction.

Section 10.14 Severability If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 10.15 Counterparts. This Agreement may be executed in multiple counterparts, all of which, when taken together, shall constitute one and the same document.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date and year first above written.

OWNER:

CITY OF HESSTON, KANSAS,
a municipal corporation

By _____
Gary Emry, City Administrator

MANAGER:

PRESTWICK INVESTMENTS II, LLC

By _____
Name (Printed) _____
Title _____

SCHEDULE A
Property Description

425 S. Old Highway 81, Hesston, Kansas 67062, more particularly described as:

Commencing at the Northwest Corner of the Southwest Quarter (SW/4) of Section Fifteen (15), Township Twenty-two (22) South, Range One (1) West of the 6th P.M., Harvey County, Kansas; thence South 0°06'15" East along the West line of said Southwest Quarter (SW/4), 1084 feet; thence North 89°53'45" East, 35 feet to a point of beginning; thence North 89°53'45" East, 273.86 feet to the Westerly Right of Way of U.S. Highway 81; thence South 42°18'30" East along said Right of Way, 329.43 feet to the South line of the North Half (N/2) of said Southwest Quarter (SW/4); thence South 89°48'26" East along said South line of said North Half (N/2), 6.8 feet to the Westerly Right of Way of U.S. Highway 81; thence South 42°18'30" East along said Right of Way line, 254.12 feet to the centerline of the White Eagle Oil Corporation Pipeline Easement; thence South 8°50' East along the centerline of said Pipeline Easement, 933.14 feet; thence South 89°20'56" West, 421.32 feet, said point being 428.00 feet East of the West line of said Southwest Quarter (SW/4); thence South 0°32'45" East, 208.69 feet to the South line of said Southwest Quarter (SW/4); thence South 90°00' West along said South line of said Southwest Quarter (SW/4), 30 feet to a point 399.6 feet East to the Southwest Corner of said Southwest Quarter (SW/4); thence North 0°32'45" West, 208.45 feet to a point 398 feet East of the West line of said Southwest Quarter (SW/4); thence South 89°32'10" West, 363 feet to a point 35 feet East of the West line and 205.5 feet North of the South line of said Southwest Quarter (SW/4); thence North 0°06'15" West parallel to the West line of Southwest Quarter (SW/4), 1361.12 feet to the point of beginning.



Agenda Item Summary

Meeting date: May 9, 2016

Subject: Adjourn to a Meeting of the Public Building Commission

Background Information:

Briefed by: City Administrator Gary Emry

Summary: The Public Building Commission will meeting to consider Resolution No. PBC-2016-001. This resolution sets the not to exceed amount of bonds to be issued to fund the construction of recreation facilities in Hesston.

Attachment: Resolution No. PBC-2016-001

HESSTON, KANSAS PUBLIC BUILDING COMMISSION

RESOLUTION NO. PBC-2016-001

A RESOLUTION DECLARING IT NECESSARY AND ADVISABLE TO ISSUE REVENUE BONDS OF THE HESSTON, KANSAS PUBLIC BUILDING COMMISSION IN AN AMOUNT NOT TO EXCEED \$_____ FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, FURNISHING AND EQUIPPING RECREATIONAL FACILITIES.

WHEREAS, the Hesston, Kansas Public Building Commission (the “Commission”) is a duly organized and existing municipal corporation created and established in the City of Hesston, Kansas (the “City”); and

WHEREAS, K.S.A. 12-1757, *et seq.*, as amended and as chartered from with substitute and additional provisions under Charter Ordinance No. 140-2008-037 of the City (collectively, the “Act”) authorize the Commission (i) to issue revenue bonds for the purpose of providing funds to acquire, construct, reconstruct, furnish and equip certain public recreational facilities; and (ii) to fix rental rates, fees and charges sufficient at all times to pay the maintenance and operation costs of the buildings and retire any bonds issued to finance construction; and

WHEREAS, the City has requested and the Commission has determined it necessary and advisable (i) to issue certain Revenue Bonds pursuant to the Act in an amount not to exceed \$_____ (the “Bonds”) to provide funds to acquire, construct, furnish and equip recreational facilities (the “Project”) and (ii) to lease the Project to the City (with a sublease to the Hesston Recreation Commission), such lease payments to produce sufficient revenue to pay the principal of and interest on said Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE HESSTON, KANSAS PUBLIC BUILDING COMMISSION AS FOLLOWS:

SECTION 1. Advisability and Intent. It is hereby found and determined to be necessary to issue revenue bonds of the Commission, in an amount which shall not exceed \$_____ (the “Bonds”), under the authority of the Act, in order to provide funds to acquire, construct, operate and maintain the Project (as defined above), which Bonds shall be paid from revenues derived from the operation and lease of the Project.

SECTION 2. Acquisition, Construction, and Lease of Project. It is hereby deemed and declared to be necessary to acquire, construct, furnish and equip the Project and lease the Project to the City in exchange for lease payments sufficient to produce revenue to pay all of the principal of and interest on the Bonds authorized herein. The Commission’s intent to issue the Bonds shall be subject in all respects to its final approval of all of the terms and details of such Bonds, the lease agreement with the City for the Project, a sublease of the Project to the Hesston Recreation Commission, and all other contracts, agreements and documents relating thereto.

SECTION 3. Special, Limited Obligations. ANY BONDS ISSUED PURSUANT TO THIS RESOLUTION WILL BE SPECIAL, LIMITED OBLIGATIONS OF THE COMMISSION PAYABLE SOLELY FROM THE RENTS AND REVENUE DERIVED FROM THE PROJECT. SUCH BONDS SHALL NOT CONSTITUTE A DEBT OR LIABILITY OF THE COMMISSION OR THE CITY WITHIN THE MEANING OF ANY STATE OR CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE COMMISSION OR THE CITY. THE COMMISSION HAS NO TAXING POWER.

SECTION 4. Authorization Preliminary Official Statement and Official Statement. Ranson Financial Consultants, LLC (the “Financial Advisor”) is authorized and directed to prepare or provide for the preparation of a Preliminary Official Statement for the Bonds. The Chair is authorized to execute the Preliminary Official Statement on behalf of the Commission. The Commission hereby consents to and authorizes the Financial Advisor to use and publicly distribute the Preliminary Official Statement (but only in its entirety) to prospective underwriters and purchasers of the Bonds. Upon a successful offering of the Bonds, the Financial Advisor is authorized to prepare or provide for the preparation of a final Official Statement by amending, supplementing and completing the Preliminary Official Statement and the Commission authorizes the execution of the final Official Statement by its Chair or acting Chair, with such changes and additions as such officer deems appropriate. The final Official Statement is authorized to be distributed to the public (in its entirety) in connection with the offering and sale of the Bonds.

SECTION 5. SEC Rule Compliance. To permit compliance with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the “SEC Rule”) the Chair or the Secretary are authorized, if requested to do so, to certify that the Commission deems the information in the Preliminary Official Statement “final” as of its date except for the omission of information as permitted by the SEC Rule and to take such other actions as such officers find necessary to permit the Underwriter to comply with the SEC Rule.

SECTION 6. Authorization of Additional Actions as Required. The Chair, the Secretary, the Financial Advisor and Triplett, Woolf & Garretson, LLC, as Bond Counsel to the Commission, are each authorized and directed to take all such other actions as are necessary to complete the offering and issuance of the Bonds.

SECTION 7. Effective Date. This Resolution shall take effect and be in force from and after its adoption.

[Remainder of Page Intentionally Left Blank]

PASSED, ADOPTED AND APPROVED by the Hesston, Kansas Public Building Commission on May 9, 2016.

HESSTON, KANSAS
PUBLIC BUILDING COMMISSION

[seal]

By _____
David K. Kauffman, Chair

ATTEST:

By _____
Jason Thrasher, Secretary

EXCERPT OF MINUTES

The governing body of the Hesston, Kansas Public Building Commission met in regular session at the usual place in the City on May 9, 2016, at 6:00 p.m., with the Chair David K. Kauffman presiding, and the following members of the governing body present:

and the following members absent:

Among other business, there came for consideration a resolution declaring it necessary and advisable to issue revenue bonds in an amount not to exceed \$_____ aggregate principal amount:

A RESOLUTION DECLARING IT NECESSARY AND ADVISABLE TO ISSUE REVENUE BONDS OF THE HESSTON, KANSAS PUBLIC BUILDING COMMISSION IN AN AMOUNT NOT TO EXCEED \$_____ FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, FURNISHING AND EQUIPPING RECREATIONAL FACILITIES.

Upon motion made by _____, and seconded by _____, the Resolution was approved by a unanimous vote and was duly adopted. The Resolution was directed to be signed by the Chair and attested by the Secretary and was assigned No. PBC-2016-001.

CERTIFICATE OF SECRETARY

I, Jason Thrasher, the duly appointed and acting Secretary of the Hesston, Kansas Public Building Commission, do hereby certify that the foregoing is a true and correct Excerpt of the Minutes of the proceedings at the May 9, 2016 meeting of the Hesston, Kansas Public Building Commission.

[seal]

Jason Thrasher, Secretary