



**CITY OF HESSTON AGENDA**

Monday, April 13, 2020

Council Chamber/Municipal Court Building

110 E. Smith Street

**Present**

David Kauffman, Mayor \_\_\_\_\_  
Brad Unruh, City Council \_\_\_\_\_  
Jason Jones, City Council \_\_\_\_\_  
Larry Fuqua, City Council \_\_\_\_\_  
Clare Moore, City Council \_\_\_\_\_  
Susan Swartzendruber, City Council \_\_\_\_\_

**Others Present**

1. \_\_\_\_\_  
2. \_\_\_\_\_  
3. \_\_\_\_\_  
4. \_\_\_\_\_  
5. \_\_\_\_\_

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

**1. Call to Order - 6:00pm**

**2. Additions to Agenda**

- A. \_\_\_\_\_
- B. \_\_\_\_\_
- C. \_\_\_\_\_
- D. \_\_\_\_\_

**3. Consent Agenda**

- A. Council Minutes
- B. Appropriations
- C. Financial Statements
- D. Board Minutes
- E. Building Permits

#### **4. Constituency Comments**

[A.](#) Constituency Comments

#### **5. Proclamations and Awards**

[A.](#) Arbor Day Proclamation

#### **6. Public Hearing**

#### **7. Ordinances & Resolutions**

[A.](#) GO Bond Refinance

[B.](#) Ordinance No. 010-2020-217 Golf Mower Lease Purchase

[C.](#) Ordinance No. 010-2020-218 Appropriations

#### **8. Old Business**

#### **9. New Business**

[A.](#) Golf Course Clubhouse Project Bid Opening

[B.](#) Property Purchase

[C.](#) Mill and Overlay Project

[D.](#) Hesston Pharmacy Request

[E.](#) Annual Designation of Council President

[F.](#) Harvey County Economic Development – City Appointees

[G.](#) Public Meetings of Boards/Commissions

[H.](#) Set Date for Council and Staff Budget Work Session

[I.](#) Budget Discussion COVID-19

#### **10. Other Business**

#### **11. Executive Session**

#### **12. Adjourn Meeting**

[A.](#) Adjourn Meeting

Note: Hearing impaired persons may request an interpreter.

**CITY OF HESSTON  
SPECIAL CITY COUNCIL MEETING**

**DRAFT MINUTES of April 2, 2020**

**Council Meeting No. 5**

The special meeting of the Hesston City Council was held on Thursday, April 2, 2020 at 4:00 p.m. via video teleconference displayed in the Council Chamber / Municipal Court Building located at 110 E. Smith Street.

**PRESENT**

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

**OTHERS PRESENT**

Adam Strunk with the Hesston Record

**ZOOM MEETING DISCUSSION**

One of the purposes of the Special Meeting was to review and test the protocols for conducting a video teleconference meeting using Zoom Meeting software. It was discussed how we would keep this meeting and future meetings of this type open to the public.

Meeting agendas and Zoom Meeting invitation links would be posted on our website. The Council Chambers would be open during the meeting and the meeting displayed on the overhead monitors. Up to 9 residents could attend in-person. Others could join the internet-based video meeting via the invitations posted on the website or via telephone.

**COVID-19 DISCUSSION**

City Administrator Gary Emry gave an update on information he has received from teleconferences, email briefings, and webinars from a variety of sources including local Council of Governments, League of Kansas Municipalities (LKM), Kansas Department of Health and Environment (KDHE), Kansas Governors briefing, and White House briefing to state and local municipalities.

The following is a summary of recent information received from an LKM meeting of 4/2:

- The city should expect the pandemic to impact the 2020 budget with reductions in sales tax revenue, property tax revenue and franchise fees.
- Federal relief funds, provided to each State, would be passed to local governments with populations of 500,000+ under current guidelines. Under this scenario, local government monies allocated to the State of Kansas would only go to a couple of counties that meet those population levels. The Governor's office will be working with the federal government to come up with a more equitable distribution of those funds so that more rural municipalities would also see a benefit.
- On March 29<sup>th</sup>, the President issued a disaster declaration that included the State of Kansas which would free up FEMA funds. Staff will be documenting pandemic related costs and losses.

Next, he described the staffing schedules within the various city departments that would allow for social distancing while still providing city services. Specific social distancing protocols for each department was discussed. It was reported that the city would follow the Governors stay-at-home order until April 19<sup>th</sup> and then reassess.

It was reported that a variance request has been received and that legal will be engaged to advise how to handle the public meeting aspect of the variance process. A variance requires a public hearing before the Planning and Zoning Board which would be an issue under current social distancing guidelines that limit gatherings to 10 people or less.

A question was raised regarding the status of our wastewater treatment plant. It was reported that we have regular staff stationed at the plant to handle any issues.

It was discussed if the City would distribute any information to the private sector regarding grants and relief funding related to the recently passed CARES Act. It was noted that the Hesston Chamber has been providing that information to its members. There was also a recent Zoom meeting on this subject that was conducted by Representative Stephen Owens.

The Families First Coronavirus Response Relief Act was discussed and staff's efforts in working with our attorneys to understand the details of the act.

A question was raised regarding meeting protocol and if we could have a camera set up to allow constituent or guests to speak during a video teleconference meeting. It was reported that staff had a process that would allow for constituency or guest comments.

At 4:46 p.m. Clare Moore moved to adjourn the meeting. Jason Jones seconded. Motion carried 5-0.

These are Draft Minutes until approved at the next regular council meeting scheduled for 6:00 p.m. on April 13, 2020.

Audio of this meeting can be found on the City of Hesston website at [www.hesstonks.org](http://www.hesstonks.org) under Document Center / Minutes / 2020.

Recorded by  
Jason Thrasher  
City Clerk

**CITY OF HESSTON  
CITY COUNCIL MEETING**

**MINUTES of March 9, 2020**

**Council Meeting No. 4**

The regular meeting of the Hesston City Council was held on Monday, March 9, 2020 at 6:00 p.m. in the City Council Chambers / Municipal Court Building.

**PRESENT**

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

**ABSENT**

Council Member Brad Unruh

**OTHERS PRESENT**

Hesston Public Library Director Melissa Carlson, Library Board Members Debra Voth, Joel Kauffman, Emma Gunden, Jen Person, Rachel Bucklin, and Becky Herron; Chad Fuqua, owner of Fuqua Insurance Group, Financial Advisor Larry Kleeman representing Ranson Citycode, Parks and Recreation Superintendent Mike Hulteen, Chamber Director Megan Smith and Adam Strunk with the Hesston Record.

**ADDITIONS TO THE AGENDA**

City Administrator Gary Emry requested the following topics be added to the agenda:

- Executive Session – Acquisition of Real Estate
- Corona Virus Planning

Mayor Kauffman added the items to the agenda.

**CONSENT AGENDA**

Larry Fuqua moved to approve the consent agenda as presented. Jason Jones seconded. Motion carried 4-0.

**ORDINANCES AND RESOLUTIONS**

**RESOLUTION NO. 1149: AUTHORIZE SALE OF G.O. BONDS**

Financial Adviser Larry Kleeman briefed the Council on this topic and answered questions.

Clare Moore moved to adopt Resolution No. 1149 which authorizes the sale of G.O. Bonds in the approximate principal amount of \$1,085,000. Larry Fuqua seconded. Motion carried 4-0.

**RESOLUTION NO. 1150: REQUEST REDEMPTION OF 2010 PBC BONDS**

Financial Adviser Larry Kleeman briefed the Council on this topic and answered questions.

Jason Jones moved to adopt Resolution No. 1150 which requests the redemption of Series 2010 PBC Bonds to facilitate the refinance of the bonds to realize an interest savings. Susan Swartzendruber seconded. Motion carried 4-0.

Jason Jones made a motion to recess the regular meeting of the Hesston City Council and convene a meeting of the Hesston Public Building Commission. Clare Moore seconded. Motion carried 4-0.

Jason Jones made a motion to adjourn the meeting of the Hesston Public Building Commission and reconvene the meeting of the Hesston City Council. Larry Fuqua seconded. Motion carried 4-0.

**ORDINANCE NO. 020-2020-175: WATER AND GAS METER INSTALL FEES**

Larry Fuqua made a motion to approve Ordinance No. 020-2020-175 which sets the fees charged for water and gas meter installations. Susan Swartzendruber seconded. Motion carried 4-0.

## **OLD BUSINESS**

### **RIDGE POINTE DEVELOPMENT PROPOSALS**

It was the consensus of the Council to work through the development of Ridge Pointe without utilizing the services of the two entities that provided proposals.

### **CROSSWALK SIGNALIZATION – LINCOLN AND RIDGE INTERSECTION**

No action was taken on this item.

## **NEW BUSINESS**

### **FUQUA INSURANCE, INC. – BROKER FEE AGREEMENT**

Chad Fuqua with Fuqua Insurance Group presented a broker agreement to cap his agencies fees at \$10,000 per year. Jason Jones made a motion to approve the agreement. Clare Moore seconded. Motion carried 3-0 with Council Member Larry Fuqua abstaining and not participating in the discussion.

### **HESSTON PUBLIC LIBRARY REPORT**

Library Director Melissa Carlson was present to introduce her Library Board and to give a presentation on Library activities. She also made a request for a budget increase of 1.5 mills to hire more staffing. The staffing related question was referred to city staff to discuss with the context of the 2021 budget development.

### **RIDGE POINTE DRAINAGE PROPOSALS**

Clare Moore moved to approve the proposal from MKEC in the base amount of \$2,000 to perform a drainage analysis for the Ridge Pointe property. Larry Fuqua seconded. Motion carried 4-0.

### **MOWER REPLACEMENT EXCEL SUPER 104**

Parks and Recreation Superintendent Mike Hulteen was present to provide bids for the purchase of two mowers for the golf course.

Larry Fuqua moved to approve the bid from Kansas Golf and Turf for the purchase of 2 Hustler Super 104 Mowers on a 36-month lease in the amount of \$1,192 per month pending the lease agreement being reviewed by the City Attorney and approved by Council at the April 13<sup>th</sup> meeting. Jason Jones seconded. Motion carried 4-0.

### **CORONA VIRUS PLANNING UPDATE**

City Administrator Gary Emry provided the Council with an update as to the steps the City is taking in response to the corona virus outbreak.

## **EXECUTIVE SESSION**

At 7:40 p.m. Larry Fuqua moved to enter an executive session for 20 minutes pursuant to the exemption related to the discussion of the acquisition of real estate (K.S.A. 75-4319(b)(6)) for the purpose of discussing making a purchase offer on available real estate. The open meeting to resume in the city council chambers at 8:00 p.m. with those present in the executive session being the Mayor, City Council, City Administrator and City Attorney. Jason Jones seconded. Motion carried 4-0.

At 8:00 p.m. the executive session ended with no action taken during the session.

## **ADJOURNMENT**

At 8:05 p.m. Clare Moore moved to adjourn the meeting. Jason Jones seconded. Motion carried 4-0.

Recorded by  
Jason Thrasher  
City Clerk



VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00685	DIVISION SALES & EXCISE TAXES FEBRUARY SALES TAX	D	3/20/2020	8,322.58		000170		8,322.58
04160	XEROX FINANCIAL SERVICES FEB COPY SERVICE	V	2/14/2020	472.70		062937		472.70
04160	XEROX FINANCIAL SERVICES XEROX FINANCIAL SERVICESUNPOST	V	3/12/2020			062937		472.70CR
07470	ACUSHNET COMPANY GOLF WEDGES (7)	R	3/06/2020	348.97		063010		
	GOLF BALLS (144)	R	3/06/2020	1,932.60		063010		
	GOLF MERCHANDISE GLOVES (150)	R	3/06/2020	1,432.49		063010		
	GOLF BALLS:HESSTON H.S. (33 DZ)	R	3/06/2020	968.15		063010		4,682.21
00375	BOUND TREE MEDICAL, LLC RESCUER EMERGENCY CPAP (1)	R	3/06/2020	192.00		063011		
	RESCUER EMERGENCY CPAP (1)	R	3/06/2020	192.00		063011		384.00
03810	BUD & STEVE AUTO SERVICE, INC #51: ALIGN FRT END/TIRE ROTATE	R	3/06/2020	118.45		063012		118.45
06470	BUILDERS CONCRETE & SUPPLY, IN CONCRETE:N.PLAZA SINK HOLE	R	3/06/2020	455.86		063013		455.86
07505	CALLAWAY GOLF COMPANY GOLF HATS (6)	R	3/06/2020	116.95		063014		
	GOLF HATS (2)	R	3/06/2020	43.00		063014		
	GOLF BALLS (44 PKS)	R	3/06/2020	907.78		063014		1,067.73
05135	CENTURYLINK LOCAL/LONG DIST/DSL THRU 3/17	R	3/06/2020	888.24		063015		888.24
09160	CNA SURETY DIRECT BILL NOTARY PUBLIC: G.ARELLANO	R	3/06/2020	50.00		063016		50.00
00285	CONRAD FIRE EQUIPMENT HOSE ADAPTERS (4)	R	3/06/2020	867.26		063017		
	DYNA-FIT QUICK ADJUST (2)	R	3/06/2020	99.64		063017		966.90
08480	CORE & MAIN LP METER PIT PUMP	R	3/06/2020	245.06		063018		
	DISCHARGE HOSE:WTR PUMP	R	3/06/2020	61.37		063018		306.43



VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
04330	COX COMMUNICATIONS							
I-CITY HALL 3/2020	MAR INTERNET/TV: CITY HALL	R	3/06/2020	165.47		063019		
I-GOLF 3/2020	MAR INTERNET/TV/PHONE:GOLF	R	3/06/2020	359.86		063019		525.33
04085	DELTA DENTAL OF KANSAS							
I-1003003202003	MARCH DENTAL PREMIUM	R	3/06/2020	2,266.86		063020		2,266.86
07480	EVCO WHOLESALE FOOD CORP.							
I-459463	MEAT/ONION RINGS/SHORTENING	R	3/06/2020	584.01		063021		584.01
01660	EVERGY							
I-110 SMITH A 3/2020	110 E SMITH A SERV THRU 2/21	R	3/06/2020	48.20		063022		
I-110 SMITH B 3/2020	110 E SMITH B SERV THRU 2/21	R	3/06/2020	48.26		063022		
I-COMMERCE 3/2020	COMMERCE SIREN SERV THRU 2/20	R	3/06/2020	31.46		063022		
I-GOLF CLUBHS 3/2020	GOLF CLUBHOUSE SERV THRU 2/20	R	3/06/2020	210.02		063022		
I-GOLF FOUNT 3/2020	GOLF FOUNTAIN SERV THRU 2/21	R	3/06/2020	24.11		063022		
I-GOLF PUMP 3/2020	GOLF PUMP SERVICE THRU 2/20	R	3/06/2020	151.93		063022		
I-GOLF RD 3/2020	GOLF CRSE RD SERV THRU 2/20	R	3/06/2020	120.11		063022		
I-GOLF STRGE 3/2020	GOLF STORAGE SERV THRU 2/20	R	3/06/2020	188.57		063022		
I-GROUP BILL 3/2020	GROUP BILL SERVICE THRU 2/21	R	3/06/2020	9,309.31		063022		
I-SKATE PK 3/2020	SKATE PARK SERVICE THRU 2/21	R	3/06/2020	23.35		063022		10,155.32
07875	FLOWERS BAKING COMPANY							
C-7094197530	RETURNED BREAD (1)	R	3/06/2020	2.24CR		063023		
I-7094197531	BREAD (3)	R	3/06/2020	6.72		063023		
I-7094197870	BREAD (4)	R	3/06/2020	8.96		063023		13.44
07525	FRITO-LAY							
I-84147870	CHIPS/NUTS	R	3/06/2020	133.60		063024		133.60
00885	GOERING HARDWARE CORPORATION							
I-235182	REPAIR SEWER LINE:CLUBHOUSE	R	3/06/2020	155.00		063025		155.00
09165	HART GOLF							
I-2227	BALL MARKERS/DIVOT TOOLS	R	3/06/2020	897.00		063026		897.00
01070	HARVEY COUNTY SOLID WASTE							
I-03062020	FEB LANDFILL/SLUDGE FEES	R	3/06/2020	4,511.69		063027		4,511.69
01160	HESSTON CHAMBER OF COMMERCE							
I-1203	RESOURCE GUIDE AD:GOLF CRSE	R	3/06/2020	279.00		063028		279.00
01235	HESSTON PHARMACY							
I-03062020	IBUPROFEN/NAPROXEN:CITY SHP	R	3/06/2020	22.28		063029		22.28

VENDOR SET: 01 City of Hesston  
 BANK: 99 CITIZENS STATE BANK  
 DATE RANGE: 3/01/2020 THRU 3/31/2020

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01245	HESSTON PRESTIGE PRINTING							
I-28108	PENCILS/PAPER CLIPS/TEST REPT	R	3/06/2020	53.85		063030		
I-28139	COURT LETTERHEAD (1000)	R	3/06/2020	155.00		063030		208.85
01210	HESSTON TRUE VALUE							
I-03062020	FEB SUPPLIES	R	3/06/2020	782.00		063031		
I-GAS 3/2020	FEB GAS SUPPLIES	R	3/06/2020	40.12		063031		822.12
07195	HUB INTERNATIONAL MID-AMERICA							
I-1434347	MARCH BENEFIT BROKER FEE	R	3/06/2020	500.00		063032		500.00
01325	HUTCHINSON COMMUNITY COLLEGE							
I-57011	SPRING TUITION: CLAERHOUT	R	3/06/2020	721.50		063033		721.50
01690	KANSAS ONE-CALL SYSTEM INC							
I-20280	LOCATES (55)	R	3/06/2020	66.00		063034		66.00
04525	KDHE-BUREAU OF WATER							
I-03062020	WATER SUPPLY OPERATOR:MASON	R	3/06/2020	20.00		063035		20.00
06925	KDOA - OFFICE OF ACCOUNTS & RE							
I-03062020	5/21 BUDGET WKSP: THRASHER	R	3/06/2020	75.00		063036		75.00
01780	KMGA-GAS SUPPLY OPERATING							
I-KMGA-HE-2020-01	MAR NOM/JAN ACT'L NAT'L GAS	R	3/06/2020	63,845.25		063037		63,845.25
01810	KROPF LUMBER CO							
I-03062020	FEBRUARY SUPPLIES	R	3/06/2020	839.51		063038		839.51
03770	LIFE-ASSIST, INC							
I-976583	CONVEN.BAG/SHEETS/RED DOT ELEC	R	3/06/2020	1,023.40		063039		
I-977195	ISOLATION GOWN/GLOVES/EYEWEAR	R	3/06/2020	295.17		063039		
I-977497	MEGAMOVER/GLOVES/3M RED DOT	R	3/06/2020	774.06		063039		2,092.63
00530	MARTIN AUTO PARTS, INC.							
I-24864	WIPER BLADE (2)	R	3/06/2020	17.98		063040		
I-24966	OIL FILTER/5W30 OIL (7)	R	3/06/2020	43.42		063040		
I-25039	STT RED LAMP (1)	R	3/06/2020	6.49		063040		67.89
02065	MOTOROLA							
I-16093478	BATTERY IMPRESS (3)	R	3/06/2020	262.80		063041		262.80
07770	NISLY BROTHERS TRASH SERVICE,							
I-186354	FEB REFUSE/RECYCLE/SLUDGE FEES	R	3/06/2020	14,389.50		063042		14,389.50

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
09170 I-24454	PRESTRESSED CONCRETE CONSTRUCT CONCRETE BLOCKS:SHOP (58)	R	3/06/2020	2,280.00		063043		2,280.00
08215 I-9565	REVIZE LLC WEB/CMB ANNUAL TECH SUPPORT	R	3/06/2020	1,800.00		063044		1,800.00
02745 I-15379 I-15382 I-15392 I-15393 I-15397 I-15398 I-15402	SKEET'S SERVICE INC #69: MT&BAL/REPLACE FRT TIRE F-350:REPAIR TIRE/PRESS SENSOR #51:OIL CHG/ANNUAL INSPECTION #23: OIL CHANGE #52:OIL CHG/ANNUAL INSPECTION #53:OIL CHG/ANNUAL INSPECTION DODGE CHARGER:OIL CHANGE	R R R R R R R	3/06/2020 3/06/2020 3/06/2020 3/06/2020 3/06/2020 3/06/2020 3/06/2020	23.00 94.65 162.20 88.42 343.88 274.02 77.71		063045 063045 063045 063045 063045 063045 063045		1,063.88
02800 I-519277819-147	SPRINT PCS TABLET USAGE THRU 2/20	R	3/06/2020	28.63		063046		28.63
04120 I-142780	TRIPLETT,WOOLF,GARRETSON JAN 2020 CITY ATTORNEY FEE	R	3/06/2020	2,500.00		063047		2,500.00
08780 I-E3B3F0DD	UNIVERSITY OF KANSAS - KU EDWA FIRE FIGHTER 2: C. ANDERSON	R	3/06/2020	20.00		063048		20.00
07145 I-67232418	360 DOCUMENT SOLUTIONS POLICE COPY SERVICE	R	3/13/2020	170.87		063059		170.87
00105 I-200650001450	ADVANCE INSURANCE COMPANY APRIL LIFE INSURANCE PREMIUM	R	3/13/2020	613.64		063060		613.64
02310 I-03132020	BLACK HILLS ENERGY TRANSPORT GAS THRU 2/29	R	3/13/2020	12,329.08		063061		12,329.08
07505 I-931348234	CALLAWAY GOLF COMPANY GOLF BALLS (6 PK)	R	3/13/2020	232.98		063062		232.98
00485 I-MAR2020-MONTHLY	CITIZENS STATE BANK MAR 2020 GOLF CARTS LEASE PUR	R	3/13/2020	4,293.85		063063		4,293.85
03930 I-03132020	CLIA LABORATORY PROGRAM CLIA CERTIFICATE FEE	R	3/13/2020	180.00		063064		180.00
04330 I-COUNCIL 3/2020	COX COMMUNICATIONS MARCH INTERNET: COUNCIL RM	R	3/13/2020	134.41		063065		134.41

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
08875 I-9402208482	CRAFCO, INC REPAIR: STREET CRACK SEALER	R	3/13/2020	1,878.00		063066		1,878.00
01660 I-ST LGTS 3/2020	EVERGY STREET LGT SERVICE THRU 2/28	R	3/13/2020	3,700.16		063067		3,700.16
07875 I-7094197972	FLOWERS BAKING COMPANY BREAD (6)	R	3/13/2020	13.44		063068		13.44
00895 I-15105738	GALLS, LLC UNIFORM PANTS/GLOVES	R	3/13/2020	155.97		063069		155.97
01005 I-11866810	HACH COMPANY CLF10 MEMBRANE KIT:WTR MONITOR	R	3/13/2020	99.76		063070		99.76
01045 I-03132020	HARVEY COUNTY SHERIFF OFFICE CITY PRISONERS HOUSED IN FEB	R	3/13/2020	140.00		063071		140.00
01225 I-16164 I-16176	HESSTON MACHINE/WELD INC FLATBAR/ALUM PLATE/ANGLE FLAT BAR/TUBING	R R	3/13/2020 3/13/2020	57.45 29.58		063072 063072		 87.03
08325 I-4077	HI-TECH COMMUNICATIONS, LLC SWITCH PHONE EXTEN/VOICE CODE	R	3/13/2020	56.25		063073		56.25
03290 I-025-289209	INCODE COURT ONLINE PAYMT ANL FEE	R	3/13/2020	900.00		063074		900.00
1 I-SCHROEDER 3/2020	JAN SCHROEDER JAN SCHROEDER:	R	3/13/2020	35.00		063075		35.00
01565 I-03132020	KANSAS ASSN FOR COURT MANAGEME KACM MEMBERSHIP DUES	R	3/13/2020	50.00		063076		50.00
1 I-STUCKY 3/2020	LAVERN STUCKY LAVERN STUCKY:	R	3/13/2020	45.00		063077		45.00
03770 I-978208 I-978749 I-978767	LIFE-ASSIST, INC QCPR MANIKIN/FACE SHIELDS LAERDA AIRWAYS/CPR MANIKINS SALINE SYRINGE/FLAT SHEET/TRNQ	R R R	3/13/2020 3/13/2020 3/13/2020	360.82 98.44 314.53		063078 063078 063078		  773.79
00540 I-865350-IN	M6 CONCRETE ACCESSORIES ALUMSTONE: PLAZA BLVD	R	3/13/2020	332.50		063079		332.50

VENDOR SET: 01 City of Hesston  
 BANK: 99 CITIZENS STATE BANK  
 DATE RANGE: 3/01/2020 THRU 3/31/2020

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
05120	MID-KANSAS COOPERATIVE							
I-48491	FEB CLEAR DIESEL/GASOLINE	R	3/13/2020	940.60		063080		940.60
07885	OFFICE ALLY							
I-IB26522-IN	FEB CLAIMS SERVICE: EMS	R	3/13/2020	35.00		063081		35.00
07595	PEPSI-COLA							
I-49196005	POP (18 CS)	R	3/13/2020	319.26		063082		319.26
03840	POSTAGE BY PHONE							
I-03132020	REFILL POSTAGE METER	R	3/13/2020	499.00		063083		499.00
08685	QUALITY TIMBER PRODUCTS, INC							
I-17667	CEDAR MULCH (16 YDS)	R	3/13/2020	560.00		063084		560.00
07545	S&Y ENTERPRISES							
I-821622	YOUNRINS SNACKS (70)	R	3/13/2020	175.50		063085		175.50
07560	SOARING EAGLE DESIGNS							
I-7738	TOURNAMENT AWARDS (28)	R	3/13/2020	89.62		063086		89.62
1	STAN RATZLAFF							
I-RATZLAFF 3/2020	STAN RATZLAFF:	R	3/13/2020	2,000.00		063087		2,000.00
04093	VISA #1205 - CITIZEN'S STATE B							
I-VISA #1 3/2020	TANK CLEANER/CABLE TIES	R	3/13/2020	39.46		063088		
I-VISA #2 3/2020	SEEDER GEAR BOX	R	3/13/2020	1,066.74		063088		1,106.20
04101	VISA #2450 - CITIZEN'S STATE B							
I-VISA #1 3/2020	#56: BIO-DIESEL FUEL	R	3/13/2020	104.76		063089		
I-VISA #10 3/2020	1150 SERIES ENGINE 1:VACUUM	R	3/13/2020	279.99		063089		
I-VISA #11 3/2020	GET WELL GIFT: J.SCHMIDT	R	3/13/2020	70.00		063089		
I-VISA #2 3/2020	2/3 FIRE MTG MEAL	R	3/13/2020	111.54		063089		
I-VISA #3 3/2020	360 REVENUE CYCLE GUIDE (1)	R	3/13/2020	60.00		063089		
I-VISA #4 3/2020	POSTAGE - FIRE (2)	R	3/13/2020	13.40		063089		
I-VISA #5 3/2020	GET WELL PLANT:BOLLINGER	R	3/13/2020	36.47		063089		
I-VISA #6 3/2020	FIRE HOST STRAPS (24)	R	3/13/2020	332.48		063089		
I-VISA #7 3/2020	UNIFORM NAME TAPE (1)	R	3/13/2020	8.50		063089		
I-VISA #8 3/2020	GRAPEFRUIT: TRAINING EXERCISE	R	3/13/2020	3.96		063089		
I-VISA #9 3/2020	STEEL TUBE: YARD VACUUM	R	3/13/2020	61.32		063089		1,082.42
04098	VISA #2567 - CITIZEN'S STATE B							
I-VISA #1 3/2020	POCKET PEN LGT FLASHLIGHT(2)	R	3/13/2020	31.98		063090		
I-VISA #2 3/2020	MINI-FRIDGE: CITY HALL	R	3/13/2020	189.99		063090		
I-VISA #3 3/2020	CERTIFIED LETTER: D.ERB	R	3/13/2020	6.95		063090		
I-VISA #4 3/2020	EXTERNAL BATTERY HARD CASE	R	3/13/2020	23.97		063090		
I-VISA #5 3/2020	OAK TREE SEEDLING (4):ARBOR DY	R	3/13/2020	130.00		063090		
I-VISA #6 3/2020	BUSINESS CARDS (3 SETS)	R	3/13/2020	101.43		063090		

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
I-VISA #7	3/2020 DUCT TAPE (1)	R	3/13/2020	12.88		063090		
I-VISA #8	3/2020 KGFOA MEMBERSHIP DUES	R	3/13/2020	75.00		063090		572.20
04502	VISA #2625 CITIZEN'S STATE BAN							
I-VISA #1	3/2002 2/13-14 K9 WKSP MEALS	R	3/13/2020	53.54		063091		
I-VISA #2	3/2020 DOG FOOD: ATLAS	R	3/13/2020	50.50		063091		
I-VISA #3	3/2020 2/3 MEETING MEAL: DOUG	R	3/13/2020	11.20		063091		
I-VISA #4	3/2020 KACP LEADERSHIP CONFER:DOUG	R	3/13/2020	350.00		063091		
I-VISA #5	3/2020 SEARCH/SEIZURE WKSP:JACOB/MIKE	R	3/13/2020	298.00		063091		
I-VISA #6	3/2020 POSTAGE	R	3/13/2020	7.50		063091		
I-VISA #7	3/2020 HIKING SHOES (1)	R	3/13/2020	147.52		063091		918.26
04160	XEROX FINANCIAL SERVICES							
I-1999245	FEB/MAR COPY SERV (VOID FEB CK	R	3/13/2020	945.40		063092		945.40
06255	ACCU-CRETE MOBILE CONCRETE							
I-3486	MUD JACKING: COMMERCE ST.	R	3/20/2020	750.00		063093		750.00
1	ASHTON STREET							
I-A.STREET	3/2020 ASHTON STREET:	R	3/20/2020	35.00		063094		35.00
02575	BERRY TRACTOR & EQUIPMENT CO.							
I-1059884	BACKUP ALARM: LOADER	R	3/20/2020	68.41		063095		68.41
07165	BLUE CROSS & BLUE SHIELD OF KA							
I-8788930	APRIL HEALTH CARE PREMIUM	R	3/20/2020	30,728.67		063096		30,728.67
05380	CASEY'S BUSINESS MASTERCARD							
I-03202020	MARCH GASOLINE	R	3/20/2020	2,124.98		063097		2,124.98
1	CHRIS SHOLDERS							
I-SHOLDERS	3/2020 CHRIS SHOLDERS:	R	3/20/2020	45.00		063098		45.00
00285	CONRAD FIRE EQUIPMENT							
I-541663	#56:REPAIR TELESCOPING TRACK	R	3/20/2020	1,016.29		063099		1,016.29
04330	COX COMMUNICATIONS							
I-POLICE	3/2020 MARCH INTERNET SERV: POLICE	R	3/20/2020	129.00		063100		129.00
1	EMILIE NEDROW							
I-NEDROW	3/2020 EMILIE NEDROW:	R	3/20/2020	35.00		063101		35.00
08515	EMPAC, INC							
I-9219	APRIL-JUN 2020 EAP SERVICES	R	3/20/2020	546.00		063102		546.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
07375	FELD FIRE							
I-299334	SCBA:CYLINDERS/TRACKER/LOADER	R	3/20/2020	6,087.29		063103		
I-364637	SCBA: TOOL ADAPTER (1)	R	3/20/2020	558.38		063103		6,645.67
05410	FIRST WIRELESS, INC							
I-111711	RECHARGEABLE BATTERY (9)	R	3/20/2020	495.00		063104		495.00
01225	HESSTON MACHINE/WELD INC							
I-16227	6X1/4X10 FLAT: ALLEY DRAG	R	3/20/2020	43.30		063105		43.30
01245	HESSTON PRESTIGE PRINTING							
I-28165	BACKFLOW REPORT/UPS:UTILITIES	R	3/20/2020	274.91		063106		274.91
00350	I-CON SOLUTIONS, INC							
I-194701	BACKUP SOLENOID:RESERVOIR	R	3/20/2020	355.99		063107		355.99
04920	KANSAS ELECTRIC, INC							
I-14227	SEWER PLT:CROUSE-HINDS LGTING	R	3/20/2020	2,280.00		063108		2,280.00
01655	KANSAS FIRE EQUIPMENT CO							
I-505699-IN	HYDRO TEST LF CYLINDERS (4)	R	3/20/2020	200.00		063109		200.00
01255	KANSAS PUBLISHING VENTURES, LL							
I-86366	HELP WANTED AD: STREET DEPT	R	3/20/2020	80.00		063110		
I-86540	3/12 LEGAL: ORD. #020-2020-175	R	3/20/2020	96.00		063110		176.00
1	KELSEA ABNEY							
I-ABNEY 3/2020	KELSEA ABNEY:	R	3/20/2020	45.00		063111		45.00
01830	LAFE T. WILLIAMS & ASSOCIATES,							
I-583317-IN	HDQ NEUTRAL CLNR/DISINF. (2)	R	3/20/2020	44.48		063112		
I-583320-IN	STERIPHENE II (8)	R	3/20/2020	47.92		063112		92.40
03770	LIFE-ASSIST, INC							
I-981284	LAERDAL AIRWAYS:BABY/LITTLE	R	3/20/2020	68.63		063113		68.63
1	LISA PEREZ							
I-PEREZ 3/2020	LISA PEREZ:	R	3/20/2020	45.00		063114		45.00
04990	MOBILE RADIO SERVICE, INC							
I-4282600	REPAIR: G5 PAGER	R	3/20/2020	29.03		063115		29.03
07785	MUNICIPAL CODE CORPORATION							
I-340657	AGENDA SOFTWARE 1 YR SUBSCRIP.	R	3/20/2020	1,188.00		063116		1,188.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1	I-HIEBERT 3/2020		NATALIE HIEBERT NATALIE HIEBERT:	R	3/20/2020	35.00	063117	35.00
02195	I-33136		NEWTON MEDICAL CENTER FEBRUARY DRUG/LINEN CHARGE	R	3/20/2020	117.09	063118	117.09
1	I-HADAWAY 3/2020		SARA HADAWAY SARA HADAWAY:	R	3/20/2020	30.00	063119	30.00
02820	I-03202020		STATE TREASURER FEBRUARY COURT FEES	R	3/20/2020	167.50	063120	167.50
02865	I-14395540		SUPERIOR LINEN SERVICE, INC LINEN SERVICE 3/11	R	3/20/2020	96.33	063121	96.33
08560	I-03202020		VERONCIA MOSQUEDA-BARGDILL MARCH PROBATION SERV (15 CS)	R	3/20/2020	375.00	063122	375.00
07160	I-808985846		VSP VISION APRIL VISION PREMIUM	R	3/20/2020	430.52	063123	430.52
09130	I-44535		VW GOLF INC. GOLF GRIPS (133)	R	3/20/2020	982.18	063124	982.18
03115	I-5214816		WHITE STAR MACHINERY ADAPTER: ALLEY DRAG	R	3/20/2020	140.00	063125	140.00
02315	I-03252020		KANSAS BOARD OF TAX APPEALS AGCO FILING FEE:2020-652-IRBX	R	3/25/2020	1,000.00	063133	1,000.00
00100	I-14352 I-14353 I-14354		ABC TERMITE & PEST CONTROL MAR PEST CONTROL: GOLF CRSE MAR PEST CONTROL: CITY BLDG MAR PEST CONTROL: POLICE BLDG	R R R	3/27/2020 3/27/2020 3/27/2020	16.28 45.00 25.00	063137 063137 063137	86.28
09080	I-03192020 I-3192020		AT&T MOBILITY 2/12-3/11 MOBILE SERVICE: EMS 2/12-3/11 MOBILE SERVICE: PD	R R	3/27/2020 3/27/2020	149.82 313.32	063138 063138	463.14
1	I-DIRKS 3/2020		BRAD DIRKS BRAD DIRKS:	R	3/27/2020	20.00	063139	20.00
04420	I-BSW191751		BRENNTAG SOUTHWEST, INC. CHLORINE (5)	R	3/27/2020	968.80	063140	968.80



VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
05135	CENTURYLINK							
I-3272691 3/2020	UNRUH LIFT STN SERV THRU 4/17	R	3/27/2020	61.66		063141		
I-3274412 3/2020	LOCAL/LONG DIS/DSL THRU 4/17	R	3/27/2020	901.68		063141		963.34
08480	CORE & MAIN LP							
I-M061035	PVC PIPE: METER CANS	R	3/27/2020	489.60		063142		489.60
04515	DAN'S CYCLE SERVICE, LLC							
I-86770	MOWER RELAY DISCHARGE (1)	R	3/27/2020	10.32		063143		10.32
05870	FARMER BROTHERS COFFEE							
I-69932783	COFFEE (1 CS): SHOP	R	3/27/2020	128.55		063144		128.55
00895	GALLS, LLC							
I-15197561	GLOVES/PANTS/MAG POUCH	R	3/27/2020	483.56		063145		
I-15262743	CHAIN HOLDER/DOUBLE MAG	R	3/27/2020	54.93		063145		
I-15262759	MEDICAL KIT (1)	R	3/27/2020	29.99		063145		568.48
08625	GILMORE SOLUTIONS, INC							
I-18058	WWTP:COMPUTER/SUPPORT	R	3/27/2020	2,268.98		063146		
I-18092	2ND QTR PAYMENT: I.T. SERVICES	R	3/27/2020	9,736.50		063146		12,005.48
01500	HARVEY COUNTY EDC, INC							
I-2013-1035	MAR 2020 ECONOMIC DEV.CONTRIB.	R	3/27/2020	3,000.00		063147		3,000.00
01160	HESSTON CHAMBER OF COMMERCE							
I-1240	AUCTION: PAINTING PURCHASE	R	3/27/2020	950.00		063148		950.00
01180	HESSTON DECORATING CENTER							
I-19017	INSTALL CHAMBER CARPET	R	3/27/2020	230.00		063149		230.00
01225	HESSTON MACHINE/WELD INC							
I-16250	#55: CASCADE MOUNT	R	3/27/2020	645.20		063150		645.20
01325	HUTCHINSON COMMUNITY COLLEGE							
I-57083	CPR COMPLETION CARDS	R	3/27/2020	141.14		063151		141.14
07260	IMAGE QUEST							
I-IN336776	COPY SERVICE: CITY HALL/SHOP	R	3/27/2020	51.01		063152		51.01
03290	INCODE							
I-025-290080	UTILITY HH MTR SYNC FILE MAINT	R	3/27/2020	668.54		063153		668.54

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01485	JCI INDUSTRIES INC I-8193040 REPAIR POLYMER: PUMPHEAD	R	3/27/2020	259.00		063154		259.00
1	JODY RENNINGER I-RENNINGER 3/2020 JODY RENNINGER:	R	3/27/2020	70.00		063155		70.00
1	LAURA MOORE I-MOORE 3/2020 LAURA MOORE:	R	3/27/2020	45.00		063156		45.00
05330	LLAMAS LAW OFFICES I-MAR2020-MONTHLY MARCH 2020 PROSECUTOR FEE	R	3/27/2020	750.00		063157		750.00
07630	LOU'S GLOVES, INC I-33887 SAFETY GLOVES (10 BX)	R	3/27/2020	86.00		063158		86.00
00530	MARTIN AUTO PARTS, INC. I-25158 BATTERY (1) I-25276 BULBS (10)	R R	3/27/2020 3/27/2020	114.45 12.90		063159 063159		 127.35
07250	MIKE JOHNSON SALES I-12800 UNIFORM CITATIONS BOOK (110)	R	3/27/2020	813.24		063160		813.24
08160	NATIONWIDE I-03272020 GOLF COURSE INSURANCE 2020-21	R	3/27/2020	16,948.00		063161		16,948.00
02835	OFFICE PLUS OF KANSAS I-4025830-0 GOJO FOAM SOAP (2 CT) I-4027075-0 UTILITY BILLING PAPER (10 RM) I-4027167-0 UTILITY BILLING PAPER (5 RM) I-4027186-0 PAPER TOWELS (1 CT)	R R R R	3/27/2020 3/27/2020 3/27/2020 3/27/2020	117.98 129.90 64.95 29.99		063162 063162 063162 063162		   342.82
07430	OTR WHEEL ENGINEERING, INC I-118166 MOWER BLADE (1)	R	3/27/2020	38.50		063163		38.50
05900	PACE ANALYTICAL SERVICES, INC. I-2060101057 SWR SAMPLE ANALYSIS 3/4	R	3/27/2020	404.50		063164		404.50
03245	RANDALL J. PANKRATZ I-MAR2020-MONTHLY MARCH 2020 COURT FEE	R	3/27/2020	1,083.33		063165		1,083.33
07705	PHILLIPS SOUTHERN ELECTRIC CO. I-2000050-00 SIGNAL REPAIR:MAIN/OLD 81 HWY	R	3/27/2020	10,980.00		063166		10,980.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
02640	SALINA SUPPLY							
I-S100166925.001	BADGER E-METER(4)/WATHX NICOR	R	3/27/2020	1,387.13		063167		1,387.13
04120	TRIPLETT,WOOLF,GARRETSON							
I-143248	FEB 2020 CITY ATTORNEY FEE	R	3/27/2020	2,500.00		063168		2,500.00
03010	U S POST OFFICE							
I-03272020	BULK MAILING POSTAGE ACCT	R	3/27/2020	1,800.00		063169		1,800.00
03100	UNIFIRST CORPORATION							
I-2400927044	UNIFORM CLEANING 2/28	R	3/27/2020	83.52		063170		
I-2400928537	UNIFORM CLEANING 3/6	R	3/27/2020	83.52		063170		
I-2400929992	UNIFORM CLEANING 3/13	R	3/27/2020	79.12		063170		
I-2400931354	BAGGED WIPERS (3)	R	3/27/2020	42.25		063170		
I-2400931468	UNIFORM CLEANING 3/20	R	3/27/2020	79.12		063170		367.53
07940	UTILITY SAFETY AND DESIGN INC							
I-IN20200760	LABOR: UPDATING AMP PLAN	R	3/27/2020	805.30		063171		805.30

* * T O T A L S * *		NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:		142	266,520.58	0.00	266,520.58
HAND CHECKS:		0	0.00	0.00	0.00
DRAFTS:		1	8,322.58	0.00	8,322.58
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	472.70CR	472.70CR	0.00

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: 99	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			144	274,843.16	0.00	274,843.16
BANK: 99	TOTALS:		144	274,843.16	0.00	274,843.16

VENDOR SET: 01 City of Hesston  
 BANK: PR Payroll Accounts Payable  
 DATE RANGE: 3/01/2020 THRU 3/31/2020

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00485	CITIZENS STATE BANK							
I-T1 03082020	FEDERAL WITHHOLDING TAX	D	3/13/2020	6,486.33		000166		
I-T3 03082020	FICA W/H TAX	D	3/13/2020	9,537.56		000166		
I-T4 03082020	MEDICARE W/H TAX	D	3/13/2020	2,230.64		000166		18,254.53
01355	I.C.M.A.							
I-37 03082020	EMPLOYEE RETIREMENT	D	3/13/2020	1,465.00		000167		
I-37103082020	EMPLOYEE RETIREMENT	D	3/13/2020	301.17		000167		
I-37203082020	ICMA - 2.5% CONT	D	3/13/2020	209.27		000167		
I-37303082020	ICMA - 3%	D	3/13/2020	921.71		000167		2,897.15
01615	KPERS							
I-31 03082020	KPERS	D	3/13/2020	6,171.39		000168		
I-31203082020	KPERS-TR2	D	3/13/2020	1,616.87		000168		
I-31303082020	KPERS-TR3	D	3/13/2020	2,317.25		000168		
I-31I03082020	K-INSUR.MORATORIUM	D	3/13/2020	691.73		000168		
I-31L03082020	KPERS OPTIONAL LIFE INS	D	3/13/2020	283.70		000168		11,080.94
01620	KANSAS WITHHOLDING TAX							
I-T2 03082020	KANSAS STATE W/H TAX	D	3/13/2020	3,005.18		000169		3,005.18
00485	CITIZENS STATE BANK							
I-T1 03222020	FEDERAL WITHHOLDING TAX	D	3/27/2020	6,159.22		000171		
I-T3 03222020	FICA W/H TAX	D	3/27/2020	8,816.34		000171		
I-T4 03222020	MEDICARE W/H TAX	D	3/27/2020	2,061.82		000171		17,037.38
01355	I.C.M.A.							
I-37 03222020	EMPLOYEE RETIREMENT	D	3/27/2020	1,465.00		000172		
I-37103222020	EMPLOYEE RETIREMENT	D	3/27/2020	308.43		000172		
I-37203222020	ICMA - 2.5% CONT	D	3/27/2020	221.57		000172		
I-37303222020	ICMA - 3%	D	3/27/2020	928.32		000172		2,923.32
01620	KANSAS WITHHOLDING TAX							
I-T2 03222020	KANSAS STATE W/H TAX	D	3/27/2020	2,822.46		000173		2,822.46
01615	KPERS							
I-31 03222020	KPERS	D	3/27/2020	6,090.20		000174		
I-31203222020	KPERS-TR2	D	3/27/2020	1,327.91		000174		
I-31303222020	KPERS-TR3	D	3/27/2020	2,280.59		000174		
I-31I03222020	K-INSUR.MORATORIUM	D	3/27/2020	663.84		000174		10,362.54
05605	AFLAC							
I-40 03082020	AFLAC	R	3/27/2020	126.83		063131		
I-40 03222020	AFLAC	R	3/27/2020	112.55		063131		
I-41 03082020	AFLAC	R	3/27/2020	52.53		063131		
I-41 03222020	AFLAC	R	3/27/2020	26.07		063131		
I-41203082020	AFLAC EMPLOYER PAID	R	3/27/2020	28.56		063131		
I-41203222020	AFLAC EMPLOYER PAID	R	3/27/2020	28.56		063131		375.10

VENDOR SET: 01 City of Hesston  
 BANK: PR Payroll Accounts Payable  
 DATE RANGE: 3/01/2020 THRU 3/31/2020

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
08465	US DEPARTMENT OF EDUCATION AWG							
I-49103082020	CHRIS CARTER 510-94-2784	R	3/27/2020	290.52		063132		
I-49103222020	CHRIS CARTER 510-94-2784	R	3/27/2020	271.93		063132		562.45

\* \* T O T A L S \* \*

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	2	937.55	0.00	937.55
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	8	68,383.50	0.00	68,383.50
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:	10	69,321.05	0.00	69,321.05
BANK: PR TOTALS:	10	69,321.05	0.00	69,321.05
REPORT TOTALS:	154	344,164.21	0.00	344,164.21

SELECTION CRITERIA

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

CHECK RANGE: 000000 THRU 999999  
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INCLUDE ALL VOIDS: YES  
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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  
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# CITY OF HESSTON



## MONTHLY FINANCIAL STATEMENT

For the Third Month Ended  
March 31, 2020

**CITY OF HESSTON**

**Monthly Financial Statement  
For the Third Month Ended March 31, 2020**

**EXECUTIVE SUMMARY**

**Pooled Cash and Debt (Exhibit I)** – The City’s total pooled cash position is approximately \$10.9 million. The City’s debt of \$12.8 million is made up of four G.O. Bonds that are paid primarily through special assessments, two PBC Bonds for the library building and the recreation project, the golf cart lease-purchase, the golf cart grounds equipment lease-purchase and a revolving loan for the wastewater treatment plant upgrades.

**Operating Expenses to Budget (Exhibit I)** – All funds are within budget for the first three months of the year.

**The General Fund (Exhibit II)** – The General Fund received the first and largest of the annual distributions of property taxes in January.

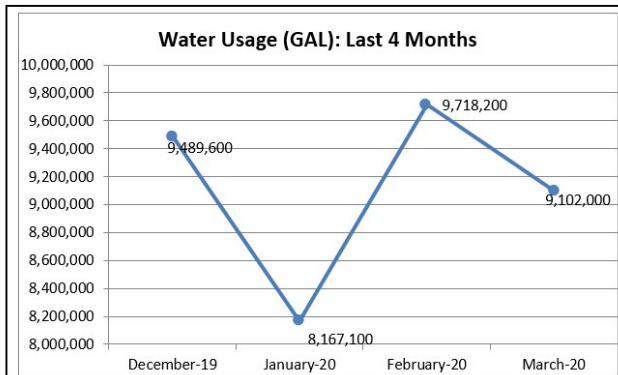
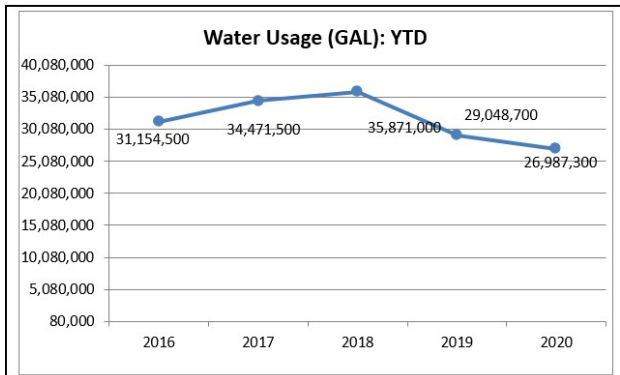
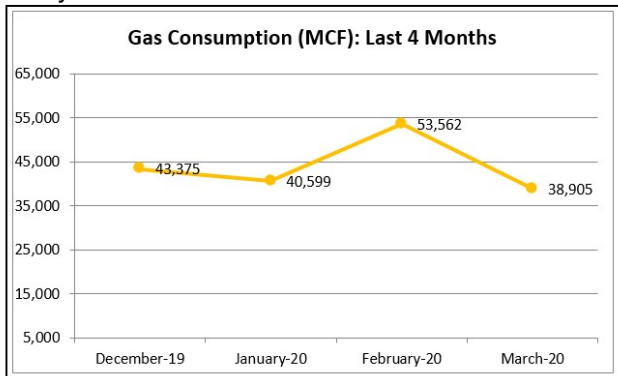
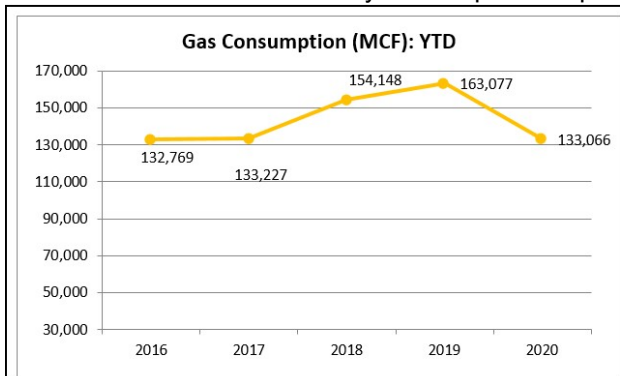
**Golf Fund (Exhibit III)** – The Golf Course Clubhouse was closed on April 13<sup>th</sup> due to covid-19 related social distancing guidelines provided by KDHE. The course remains open and an online payment option was developed so golfers can go online to pay green fees.

**Golf Course**

**Current Month - YTD Comparison**

<b>Year</b>	<b>Revenue</b>	<b>Expense</b>	<b>Rev. vs. Exp</b>
2016	95,662	102,429	(6,768)
2017	111,307	130,763	(19,455)
2018	99,855	112,099	(12,244)
2019	91,828	131,047	(39,219)
2020	88,726	132,144	(43,418)

**Utility Operations (Exhibit V - VIII)** – The following graphs shows comparisons of gas and water usage year-to-date over the last 5 years. It also shows gas and water usage over the last 4 months. Both gas and water sales are down this year compared to previous years.



**Revolving Loan (Exhibit IX)** – The fund has a balance of \$186,080 available for new loans.



**CITY OF HESSTON  
POOLED CASH  
As of March 31, 2020**

	BEGINNING BALANCE	CURRENT ACTIVITY	CURRENT BALANCE
01 - General	1,589,738	(12,982)	1,576,756
02 - Library	(9,120)	(250)	(9,370)
03 - Library Maintenance	22,470	0	22,470
04 - Special Street & Highway	437,650	(11,730)	425,920
06 - Golf	94,744	(32,619)	62,125
07 - Ambulance (EMS)	116,526	(12,705)	103,822
08 - Community Service Program	82,322	528	82,850
09 - Bond & Interest	350,667	13,137	363,804
12 - Utility	3,013,547	214,181	3,227,728
13 - Utility Maintenance Reserve	1,131,260	(4,040)	1,127,220
27 - Construction	584,427	0	584,427
30 - Capital Improvement	1,491,236	0	1,491,236
31 - Transient Guest Tax	0	0	0
33 - Economic Development	47,402	(2,000)	45,402
34 - Golf Maintenance Reserve	78,788	50	78,838
38 - Special Law Enforcement	0	0	0
42 - Fire Equipment Tax	527,409	1,183	528,591
45 - Equipment Reserve	935,372	(3,664)	931,708
46 - Special Parks	2,205	0	2,205
47 - Utility Deposits	55,130	(50)	55,080
48 - Gift Certificates (Golf)	8,982	0	8,982
50 - Revolving Loan Fund	186,080	0	186,080
55 - PBC	56,423	0	56,423
56 - HLB	22,712	0	22,712
<b>TOTAL CLAIM ON CASH</b>	<u>10,825,970</u>	<u>149,039</u>	<u>10,975,009</u>

**EXPENSE COMPARISON OF ACTUAL TO BUDGET  
For the Third Month Ended March 31, 2020**

FUND	ANNUAL BUDGET	CURRENT MONTH	YTD ACTUAL	% OF BUDGET	AVAILABLE BUDGET
01 - General	2,231,377	137,354	439,922	19.7%	1,791,455
02 - Library (Appropriations)	236,679	4,909	123,242	52.1%	113,437
03 - Library Maintenance	0	0	0		0
04 - Special Street & Highway	225,000	11,730	11,730	5.2%	213,270
06 - Golf	623,854	49,726	132,144	21.2%	491,710
07 - Ambulance (EMS)	400,826	27,592	86,363	21.5%	314,463
08 - Community Service Program	25,000	0	2,139	8.6%	22,861
09 - Bond & Interest	640,180	0	142,940	22.3%	497,240
12 - Utility	3,109,122	182,112	760,492	24.5%	2,348,630
13 - Utility Maintenance Reserve	0	4,549	9,635		0
27 - Construction	0	0	34,325		0
30 - Capital Improvement	0	0	90,998		0
31 - Transient Guest Tax	35,000	0	8,386	24.0%	26,614
33 - Economic Development	8,500	2,000	5,720	67.3%	2,780
34 - Golf Maintenance Reserve	0	0	0		0
38 - Special Law Enforcement	0	0	0		0
42 - Fire Equipment Tax	0	0	0	0.0%	0
45 - Equipment Reserve	0	134,997	200,945		0
46 - Special Parks	1,189	0	0	0.0%	1,189
50 - Revolving Loan Fund	0	0	0		0
55 - PBC (Library Bldg. Payment)	65,083	0	12,541	19.3%	52,542
56 - Hesston Land Bank	18,885	0	0	0.0%	18,885
<b>TOTAL EXPENSES</b>	<u>7,620,695</u>	<u>554,968</u>	<u>2,061,522</u>	<u>22.5%</u>	<u>5,876,191</u>

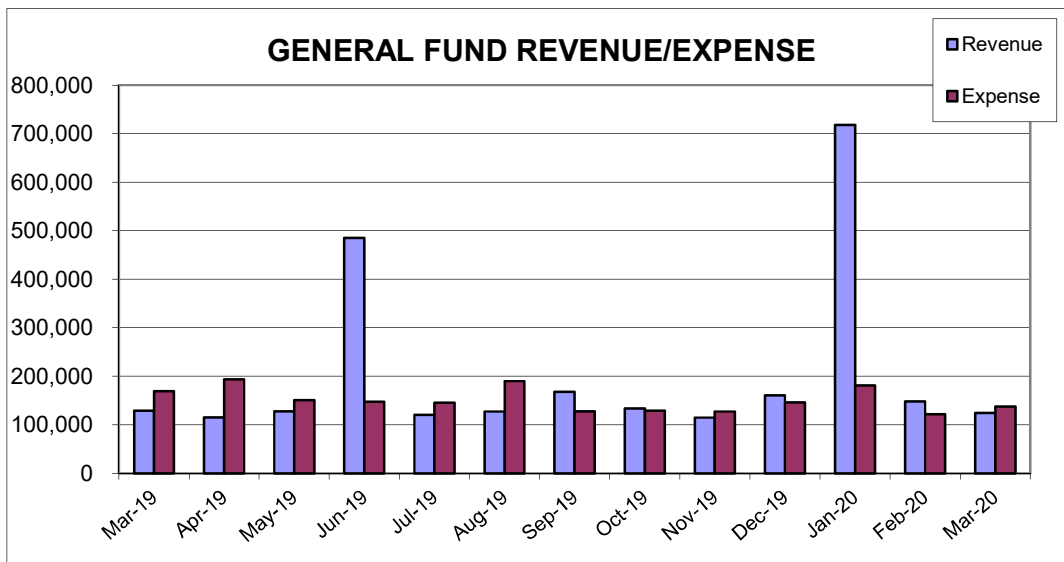
Standard 25.0%

**INDEBTEDNESS  
As of March 31, 2020**

General Obligation Bonds	4,945,000
PBC Bonds - Library Building	565,000
PBC Bonds - Rec. Project	4,940,000
Temporary Notes	-
Lease Purchase Agreements	150,073
WWTP Loan	2,296,908
<b>TOTAL INDEBTEDNESS</b>	<u>12,896,981</u>

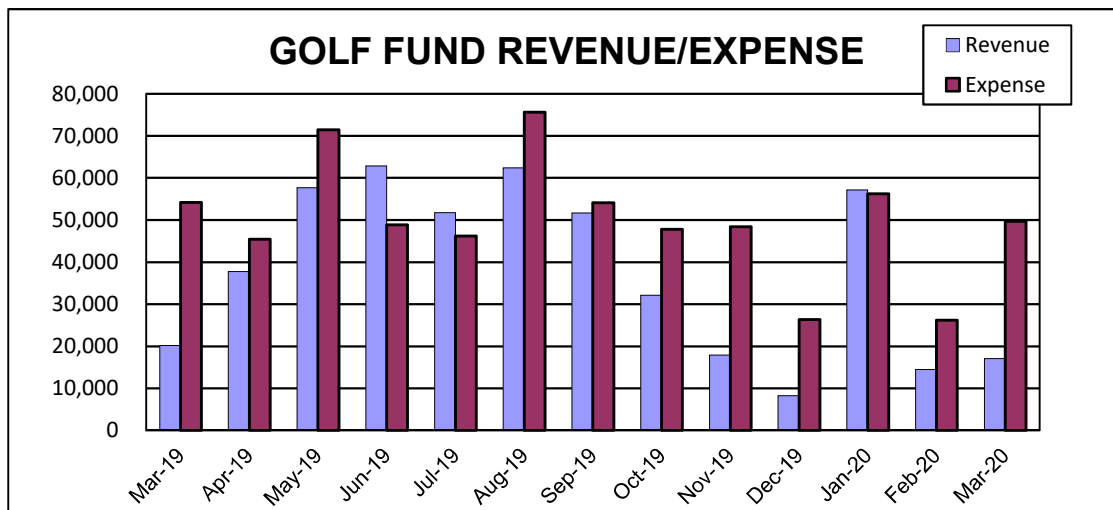
**CITY OF HESSTON**  
**GENERAL FUND COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD ACTUAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Property Tax	902,822	8,482	514,213	57.0%	388,609
Motor Vehicle Taxes	111,828	12,619	17,466	15.6%	94,362
Local Sales Tax	650,000	54,458	177,688	27.3%	472,312
Franchise Taxes	415,000	32,870	96,349	23.2%	318,651
Court Fees & Costs	43,400	3,930	10,809	24.9%	32,591
Interest on Investments	200,000	5,676	30,708	15.4%	169,292
Lease Revenue	37,057	3,248	9,758	26.3%	27,299
Fees	24,100	686	4,055	16.8%	20,046
Miscellaneous Income	24,312	317	803	3.3%	23,509
Reimbursements	50,000	1,918	4,260	8.5%	45,740
Intra Fund Transfers	0	0	0	0.0%	0
<b>TOTAL REVENUE</b>	<b>2,458,519</b>	<b>124,204</b>	<b>866,109</b>	<b>35.2%</b>	<b>1,592,410</b>
<b>EXPENDITURES:</b>					
Administration	153,730	16,280	44,764	29.1%	108,966
Police	818,548	58,171	204,827	25.0%	613,721
Street	259,579	18,889	57,724	22.2%	201,855
Fire	179,245	12,824	37,086	20.7%	142,159
Parks	246,075	16,096	51,621	21.0%	194,454
Municipal Court	46,300	2,516	9,919	21.4%	36,381
Lease Purchase	25,509	0	0	0.0%	25,509
Transfers	295,083	0	0	0.0%	295,083
Other Expenses	207,308	12,579	33,982	16.4%	173,326
<b>TOTAL EXPENSES</b>	<b>2,231,377</b>	<b>137,354</b>	<b>439,922</b>	<b>19.7%</b>	<b>1,791,455</b>
<b>NET GAIN/(LOSS)</b>	<b>227,142</b>	<b>(13,151)</b>	<b>426,188</b>		<b>(199,046)</b>



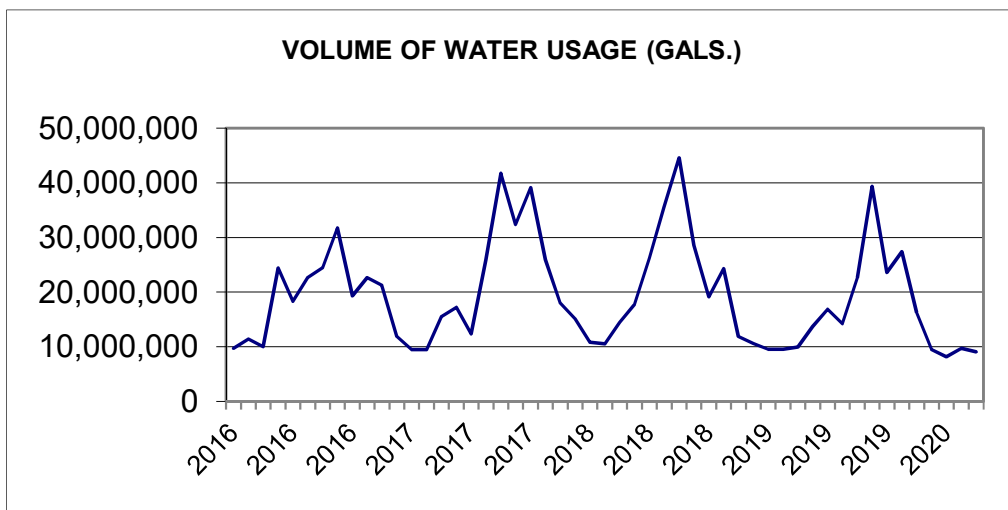
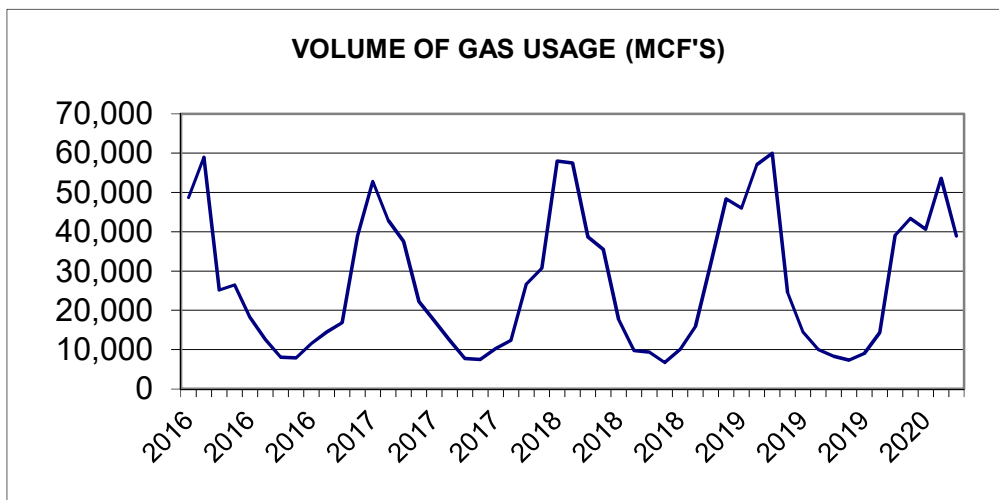
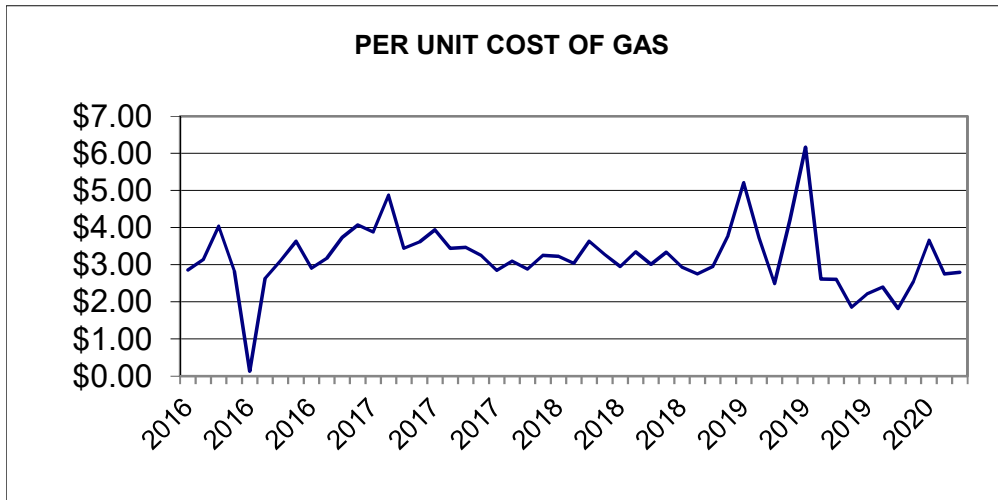
**CITY OF HESSTON**  
**GOLF FUND COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD ACTUAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Green Fees	120,000	4,972	7,857	6.5%	112,143
Golf Cart Fee	116,000	4,223	25,383	21.9%	90,617
Commission Golf Lessons	0	0	0	0.0%	0
Practice Facility	11,000	207	4,406	40.1%	6,594
Banquet Room Rental	0	0	0	0.0%	0
Miscellaneous	4,000	31	341	8.5%	3,659
Tournament Fees	50,000	255	471	0.9%	49,529
Membership Fees	65,000	5,448	45,108	69.4%	19,892
Concessions	85,000	1,179	3,034	3.6%	81,966
Golf Shop Sales	46,000	793	2,125	4.6%	43,875
Reimbursements	0	0	0	0.0%	0
<b>TOTAL REVENUE</b>	<b>497,000</b>	<b>17,107</b>	<b>88,726</b>	<b>17.9%</b>	<b>408,274</b>
<b>EXPENDITURES:</b>					
Personnel	267,486	14,964	48,400	18.1%	219,086
Contractual Services	87,500	19,471	32,581	37.2%	54,919
Commodities	180,750	10,462	37,748	20.9%	143,002
Capital Outlay	88,118	4,827	13,415	15.2%	74,703
Reimbursement	0	0	0	0.0%	0
<b>TOTAL EXPENDITURES</b>	<b>623,854</b>	<b>49,725</b>	<b>132,144</b>	<b>21.2%</b>	<b>491,710</b>
<b>Net Bef. Franchise Fees</b>	<b>(126,854)</b>	<b>(32,618)</b>	<b>(43,418)</b>	<b>(0)</b>	<b>(83,436)</b>
Add: Transfer	127,000	0	0		127,000
<b>NET GAIN/(LOSS)</b>	<b>146</b>	<b>(32,618)</b>	<b>(43,418)</b>	<b>0.0%</b>	<b>43,564</b>



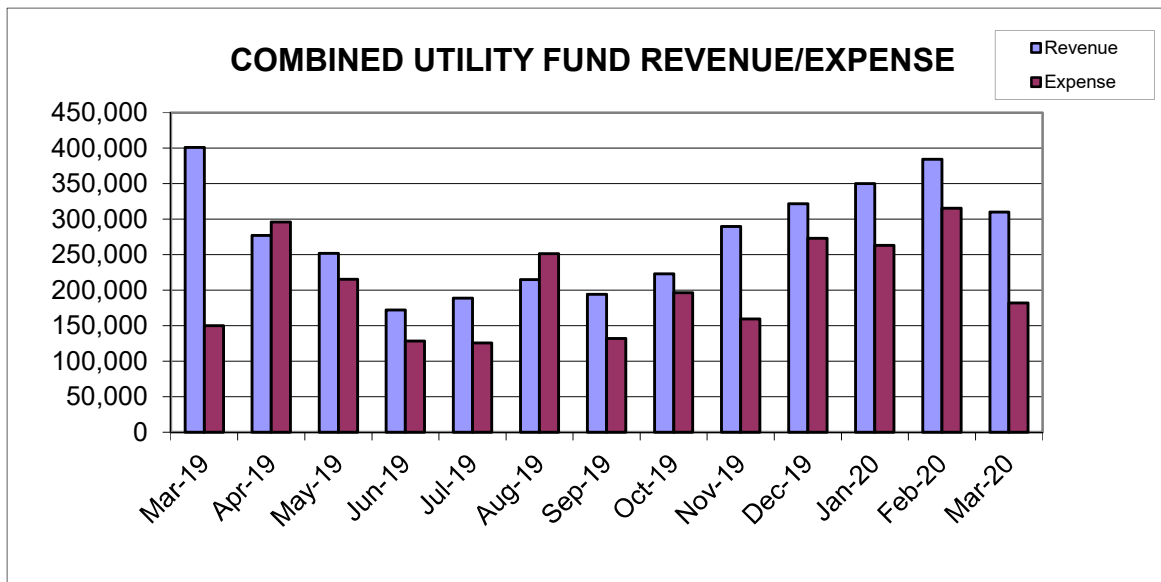
### HISTORICAL UTILITY INFORMATION

As of March 31, 2020



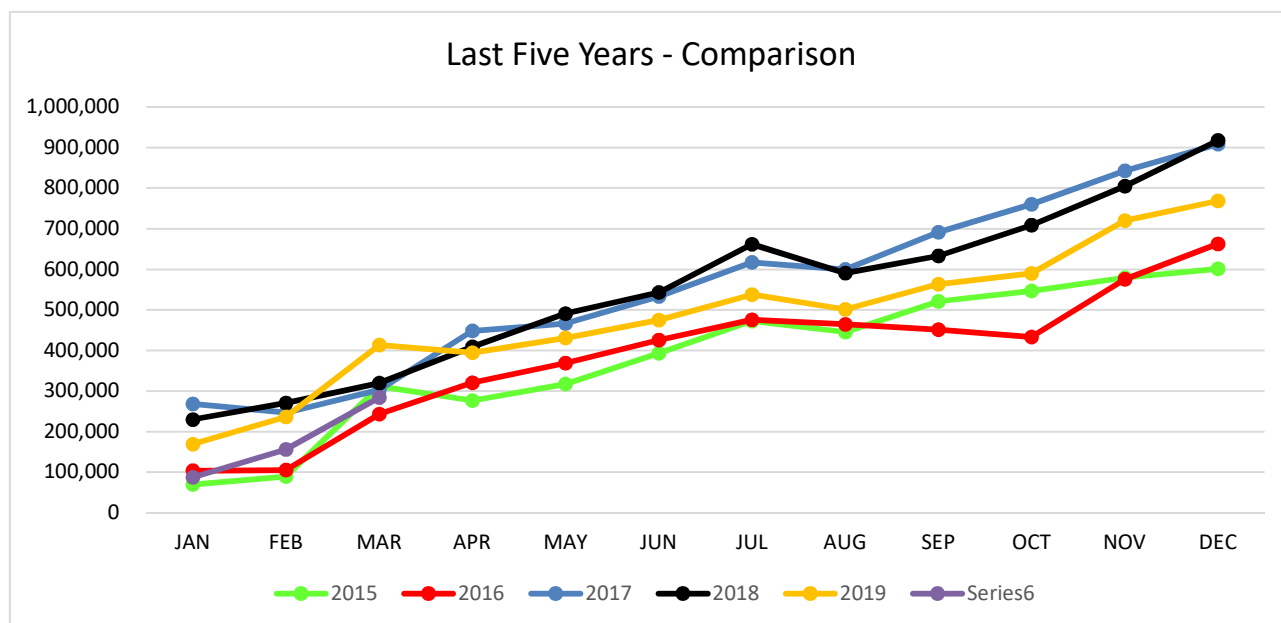
**CITY OF HESSTON**  
**COMBINED UTILITY FUND COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD ACTUAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b><u>GAS</u></b>					
Revenue	1,739,000	198,387	712,589	41.0%	1,026,411
Expenditures	1,633,556	104,757	432,024	26.4%	1,201,532
<b>NET GAIN/(LOSS)</b>	<b>105,444</b>	<b>93,631</b>	<b>280,565</b>	<b>266.1%</b>	<b>(175,121)</b>
<b><u>WATER</u></b>					
Revenue	639,000	30,377	88,509	13.9%	550,491
Expenditures	636,104	33,366	113,553	17.9%	522,551
<b>NET GAIN/(LOSS)</b>	<b>2,896</b>	<b>(2,989)</b>	<b>(25,044)</b>	<b>-864.8%</b>	<b>27,940</b>
<b><u>SEWER</u></b>					
Revenue	764,000	64,539	193,277	25.3%	570,723
Expenditures	649,312	28,429	183,116	28.2%	466,196
<b>NET GAIN/(LOSS)</b>	<b>114,688</b>	<b>36,109</b>	<b>10,161</b>	<b>8.9%</b>	<b>104,527</b>
<b><u>REFUSE</u></b>					
Revenue	196,000	16,658	49,988	25.5%	146,012
Expenditures	190,150	15,560	31,799	16.7%	158,351
<b>NET GAIN/(LOSS)</b>	<b>5,850</b>	<b>1,098</b>	<b>18,189</b>	<b>310.9%</b>	<b>(12,339)</b>
<b><u>COMBINED FUND</u></b>					
Revenue	3,338,000	309,961	1,044,364	31.3%	2,293,636
Expenditures	3,109,122	182,112	760,492	24.5%	2,348,630
<b>NET GAIN/(LOSS)</b>	<b>228,878</b>	<b>127,849</b>	<b>283,871</b>	<b>124.0%</b>	<b>(54,993)</b>



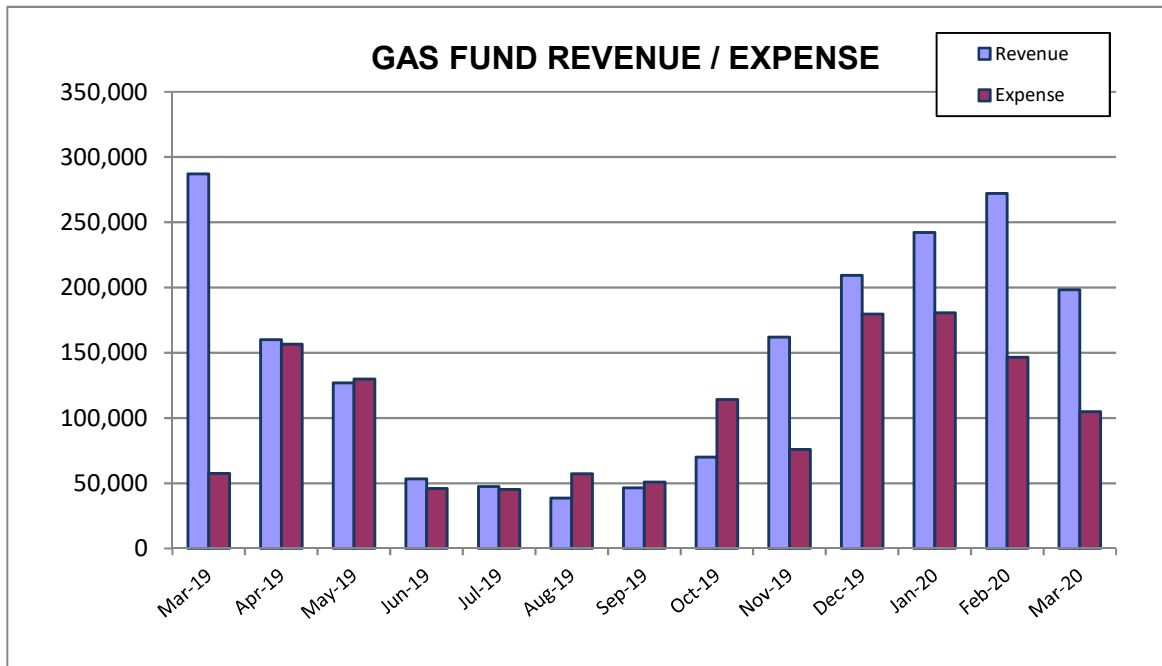
### Utilities: Revenue over / (under) Expense

	2014	2015	2016	2017	2018	2019	2020
JAN	287,054	69,479	103,588	268,310	229,858	169,068	87,092
FEB	523,370	89,260	105,170	246,697	270,632	236,442	156,022
MAR	744,597	311,446	242,869	303,165	319,855	413,590	283,871
APR	816,747	276,496	320,438	448,385	408,811	394,638	0
MAY	747,068	317,442	368,749	466,463	490,443	430,999	0
JUN	822,929	392,735	425,627	532,825	542,898	474,762	0
JUL	900,779	472,495	475,320	617,006	662,021	537,517	0
AUG	986,012	445,584	464,355	599,973	590,399	501,057	0
SEP	1,073,394	520,844	451,480	691,684	633,244	563,220	0
OCT	1,105,724	546,762	433,275	760,301	708,449	589,865	0
NOV	1,120,085	578,976	575,301	842,849	805,091	719,774	0
DEC	1,155,029	600,932	662,867	908,409	917,580	768,607	0



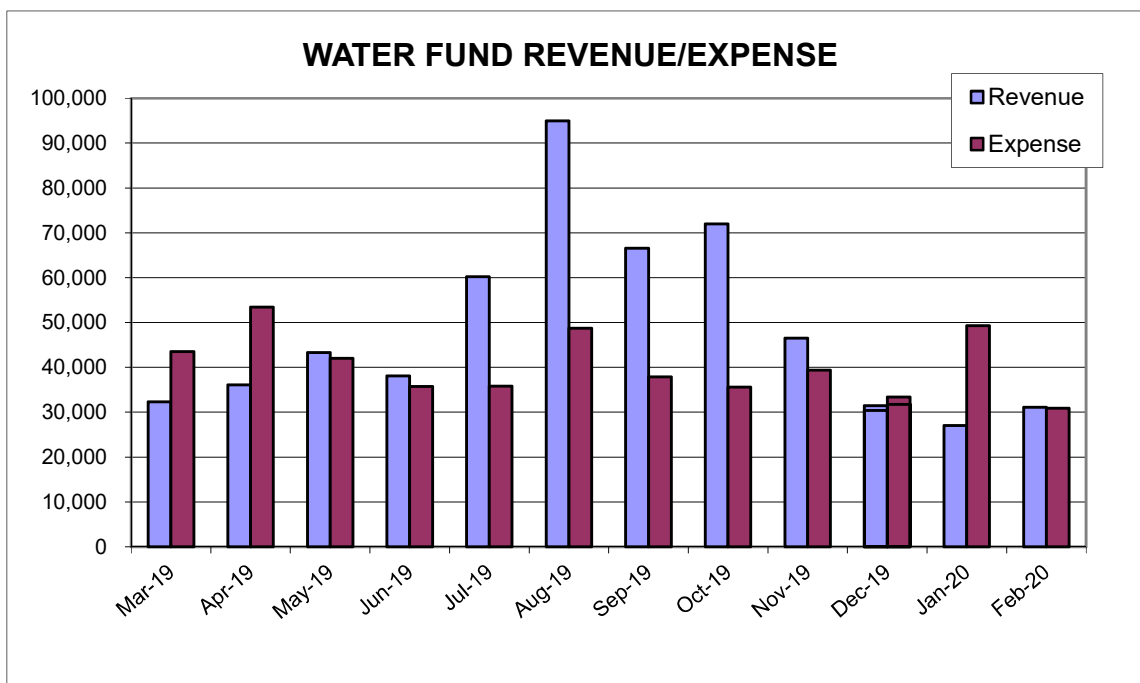
**CITY OF HESSTON**  
**GAS COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD ACTUAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Gas Fees & Sales	1,739,000	198,387	712,589	41.0%	1,026,411
Less: Gas Purchases	1,000,000	76,174	326,059	32.6%	673,941
<b>NET GAS MARGIN</b>	<b>739,000</b>	<b>122,213</b>	<b>386,531</b>	<b>52.3%</b>	<b>352,469</b>
<b>EXPENDITURES:</b>					
Personnel	338,556	22,244	81,096	24.0%	257,460
Contractual	52,500	4,192	12,395	23.6%	40,105
Commodities	23,000	2,146	5,846	25.4%	17,154
Capital Outlay	11,000	0	6,629	60.3%	4,371
Reimbursements	0	0	0	0.0%	0
Transfers	208,500	0	0	0.0%	208,500
<b>TOTAL EXPENDITURES</b>	<b>633,556</b>	<b>28,582</b>	<b>105,966</b>	<b>16.7%</b>	<b>527,590</b>
<b>NET GAIN/(LOSS)</b>	<b>105,444</b>	<b>93,631</b>	<b>280,565</b>	<b>37.6%</b>	<b>(175,121)</b>



**CITY OF HESSTON**  
**WATER COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

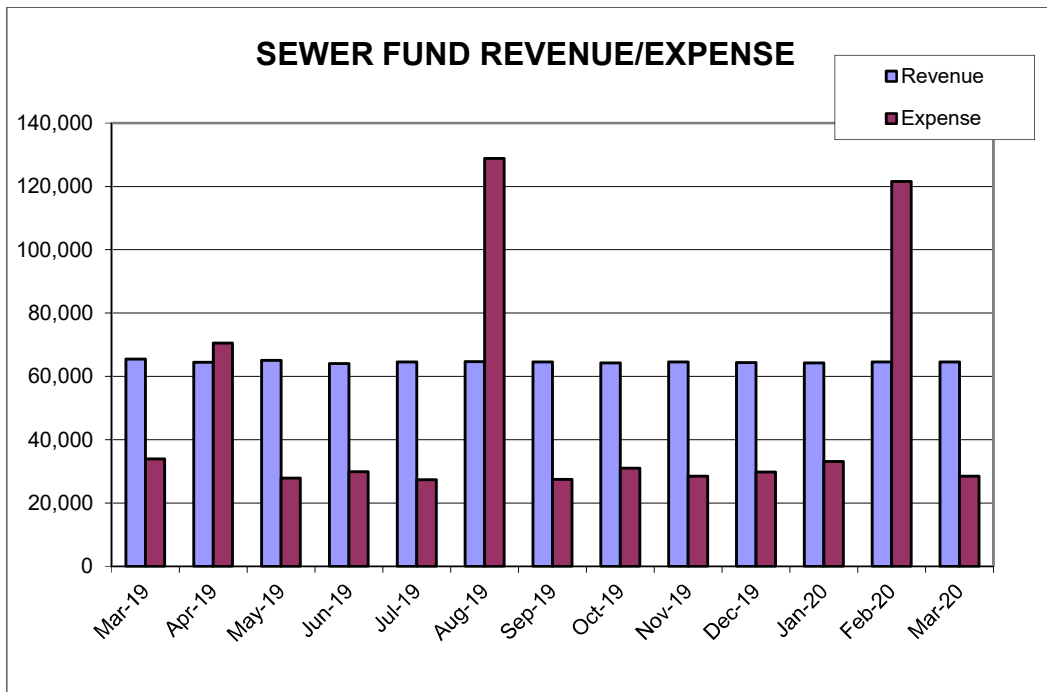
<u>ACCOUNT</u>	<u>ANNUAL BUDGET</u>	<u>CURRENT MONTH</u>	<u>YTD ACTUAL</u>	<u>% OF BUDGET</u>	<u>AVAILABLE BUDGET</u>
<b>REVENUE:</b>					
Water Fees & Sales	639,000	30,377	88,509	13.9%	550,491
<b>EXPENDITURES:</b>					
Personnel	339,669	22,123	80,737	23.8%	258,932
Contractual	124,450	5,877	21,848	17.6%	102,602
Commodities	43,500	3,734	7,664	17.6%	35,836
Capital Outlay	10,000	1,632	3,303	33.0%	6,697
Reimbursements	0	0	0	0.0%	0
Transfers	118,485	0	0	0.0%	118,485
<b>TOTAL EXPENDITURES</b>	<b>636,104</b>	<b>33,366</b>	<b>113,553</b>	<b>17.9%</b>	<b>522,551</b>
<b>NET GAIN/(LOSS)</b>	<b>2,896</b>	<b>(2,989)</b>	<b>(25,044)</b>	<b>-11.6%</b>	<b>27,940</b>





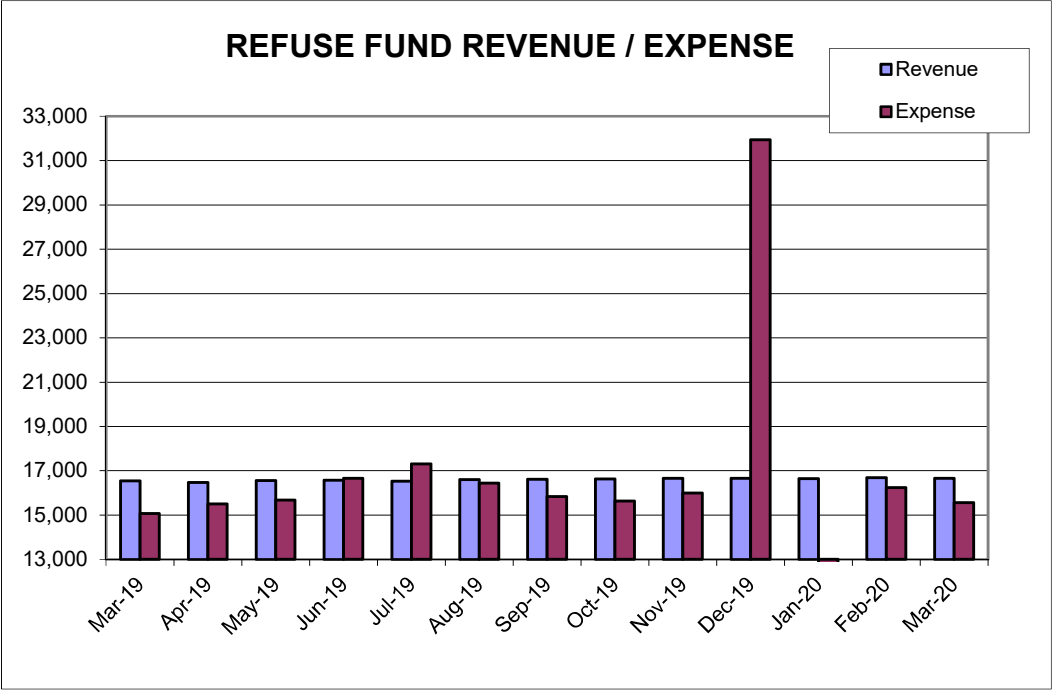
**CITY OF HESSTON**  
**SEWER COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD ACTUAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Sewer Fees & Sales	764,000	64,539	193,277	25.3%	570,723
<b>EXPENDITURES:</b>					
Personnel	234,828	18,115	59,980	25.5%	174,848
Contractual	142,650	9,163	26,138	18.3%	116,512
Commodities	22,980	342	2,902	12.6%	20,078
Capital Outlay	185,354	0	92,677	50.0%	92,677
Reimbursements	0	809	1,420	0.0%	(1,420)
Transfers	63,500	0	0	0.0%	63,500
<b>TOAL EXPENDITURES</b>	<b>649,312</b>	<b>28,429</b>	<b>183,116</b>	<b>28.2%</b>	<b>466,196</b>
<b>NET GAIN/(LOSS)</b>	<b>114,688</b>	<b>36,109</b>	<b>10,161</b>	<b>8.9%</b>	<b>104,527</b>



**CITY OF HESSTON**  
**REFUSE COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD ACTUAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Refuse Fees & Sales	196,000	16,658	49,988	25.5%	146,012
<b>EXPENDITURES:</b>					
Contractual	190,150	15,560	31,799	16.7%	158,351
Transfers	0	0	0	0.0%	0
<b>TOAL EXPENDITURES</b>	<b>190,150</b>	<b>15,560</b>	<b>31,799</b>	<b>16.7%</b>	<b>158,351</b>
<b>NET GAIN/(LOSS)</b>	<b>5,850</b>	<b>1,098</b>	<b>18,189</b>	<b>310.9%</b>	<b>(12,339)</b>



**CITY OF HESSTON**  
**ECONOMIC DEVELOPMENT COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD TOTAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Transfer From Utilities	20,000	0	0	0.0%	20,000
<b>TOTAL REVENUE</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>20,000</b>
<b>EXPENDITURES:</b>					
Contractual Services*	7,500	2,000	4,597	61.3%	2,903
Commodities (33-501-315)	1,000	0	1,123	112.3%	(123)
Capital Outlay (33-501-401)	0	0	0	0.0%	0
Reimbursements	0	0	0	0.0%	0
Transfer to Transient Guest Tax (33-501-600)	0	0	0	0.0%	0
<b>TOTAL EXPENDITURES</b>	<b>8,500</b>	<b>2,000</b>	<b>5,720</b>	<b>67.3%</b>	<b>2,780</b>
<b>NET GAIN / (DEFICIT)</b>	<b>11,500</b>	<b>(2,000)</b>	<b>(5,720)</b>		<b>17,220</b>

\* 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)

<b>HOUSING INCENTIVE PROGRAM (33-501-220)</b>	5,000	2,000	3,000	60.0%	2,000
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**Note:** Housing Incentive Program activity includes incentives paid as well as those committed, but unpaid.

**REVOLVING LOAN PROGRAM**  
**As of March 31, 2020**

<b>ACCOUNT</b>	<b>BALANCE 1/1/19</b>	<b>CURRENT MONTH</b>	<b>YTD TOTAL</b>	<b>BALANCE YTD</b>
Weaver Grocers	75,296	0	0	75,296
<b>TOTAL</b>	<b>75,296</b>	<b>0</b>	<b>0</b>	<b>75,296</b>
<b>Available Funds</b>	<b>186,080</b>			

**CITY OF HESSTON**  
**TRANSIENT GUEST TAX COMPARISON OF ACTUAL TO BUDGET**  
**For the Third Month Ended March 31, 2020**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD TOTAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Transient Guest Tax	35,000	0	8,386	24.0%	26,614
Transfer From Eco Devo	0	0	0	0.0%	0
<b>TOTAL REVENUE</b>	<b>35,000</b>	<b>0</b>	<b>8,386</b>	<b>0.0%</b>	<b>26,614</b>
<b>EXPENDITURES:</b>					
Contractual Services					
Transfer to Chamber/CVB	35,000	0	8,386	24.0%	26,614
Transfer to Eco. Devo	0	0	0	0.0%	0
<b>TOTAL EXPENDITURES</b>	<b>35,000</b>	<b>0</b>	<b>8,386</b>	<b>24.0%</b>	<b>26,614</b>
<b>NET GAIN / (DEFICIT)</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>

**CITY OF HESSTON  
PUBLIC BUILDING COMMISSION FUND #55**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD TOTAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Transfer from General Fund	65,083	0	0	0.0%	65,083
<b>TOTAL REVENUE</b>	<b>65,083</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>65,083</b>
<b>EXPENDITURES:</b>					
Library Bond Payment - Principal	40,000	0	0	0.0%	40,000
Library Bond Payment - Interest	25,083	0	12,541	50.0%	12,542
<b>TOTAL EXPENDITURES</b>	<b>65,083</b>	<b>0</b>	<b>12,541</b>	<b>19.3%</b>	<b>52,542</b>
<b>NET GAIN / (DEFICIT)</b>	<b>0</b>	<b>0</b>	<b>(12,541)</b>		<b>12,541</b>

**CITY OF HESSTON  
HESSTON LAND BANK FUND #56**

<b>ACCOUNT</b>	<b>ANNUAL BUDGET</b>	<b>CURRENT MONTH</b>	<b>YTD TOTAL</b>	<b>% OF BUDGET</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE:</b>					
Transfer from General	15,000	0	0	0.0%	0.0%
Land Sales	0	0	0	0.0%	0.0%
<b>TOTAL REVENUE</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>EXPENDITURES:</b>					
Legal Fees	5,000	0	0	0.0%	5,000
Utilities	2,500	0	0	0.0%	2,500
Taxes	4,500	0	0	0.0%	4,500
Specials	0	0	0	0.0%	0
Insurance	0	0	0	0.0%	0
Marketing	5,000	0	0	0.0%	5,000
Misc. Expense	1,885	0	0	0.0%	1,885
<b>TOTAL EXPENDITURES</b>	<b>18,885</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>18,885</b>
<b>NET GAIN / (DEFICIT)</b>	<b>(3,885)</b>	<b>0</b>	<b>0</b>		<b>(18,885)</b>

## **BOARD OF DIRECTORS MEETING**

### **MINUTES**

*Wednesday, February 26, 2020, 3:30 p.m.*

*EDC Board room*

#### In Attendance:

Jason Jones, Joe Turner, Ken Knepper, Ray Penner, Randy Hague, Scott Koehn, Karl Matlack, Bob Myers, Ron Lang, Joel Gaeddert, Ethan Riemer. Carl Harris, Anthony Swartzendruber, Gary Emry, Megan Smith, Pam Stevens, Beth Shelton, and John Waltner

Absent: Jeremy Ashby, Tony Wheeler, Stephanie Ashby, Mindy Budde, Dr. Jon Gering, Josh Durner, Bill Ewert, John Torline, Rod Kreie and Bryan Chapman

### **I. CALL TO ORDER & OPENING REMARKS**

President Karl Matlack called the meeting to order at 4:00 pm.

### **II. MINUTES OF PREVIOUS MEETINGS**

The minutes of the November 20, 2019 meeting were approved with the following corrections: Randy Hague was present. With this correction, a motion was made by Ron Lang for approval. Jason Jones seconded the motion, and it was unanimously approved.

### **III. TREASURER'S REPORT**

Beth Shelton presented the November and December 2019 financial report. On the Statement of Revenue and Expenses: revenues Beth noted four accounts. With no further questions, Ray Penner motioned to approve the November and December financials as presented. Carl Harris seconded the motion, and the motion was unanimously approved.

### **IV. New Business**

- a. Karl Matlack made a motion to go into an executive session to discuss the performance review for the Executive Director, this motion shall include all voting and non-voting board members, for 15 minutes. Time was allowed to expire. Carl Harris seconded: motion carried. Ron Lang made a motion to raise the Executive Directors salary by 3.9 percent to current salary of \$77,000. Jason Jones seconded. Motion carried.

### **V. EDC ACTIVITY UPDATE**

- a. Beth Shelton's Report:
  - i. Beth announced new signature cards are in process for Intrust Bank on all the Harvey County EDC accounts. The signors include all members of the executive board.
  - ii. Beth reviewed the new projects on the project tracker. Project Margie is a hemp processing project. Beth had a site visit at the Halstead Hospital. We are waiting on the project questionnaire to move forward. Project Data Center is a new project brought to us from GWP, Wichita is their current headquarters. The principal will move forward in 30 days with community. Project Proxima is looking for up to 250 acres we have submitted land in Newton. Other communities in El Dorado and Hutchinson have also submitted land sites. Project Rose is a new organic makeup company submitted to Kansas Department of Commerce. Project Cook is an expanding broadband provider and looking for 1,500 sq. ft. Project Mack is an Ag Manufacturing company dealing with hemp.
  - iii. Beth passed out the 2020 Marketing/Event Calendar. Beth also reported on the Spirit Job Fair. Workforce Four is holding a job fair and has invited Harvey County companies to participate. Beth is coordinating with local companies. Beth also gave an update on Tribine. She reported that her conversation with Ben Dill

indicated that the company is still open for business. They are working with WSU on a focus group and plan to continue.

**b. Jennifer Mueller's Report:**

i. Jennifer gave the group the 2020 Business Retention Visit Questionnaire for their review. Jennifer reported targets for the first quarter are the large manufactures to enable us to help facility any challenges they may have in achieving their goals. Jennifer reported retention visits with AGCO, Excel Inc., Southwest Associated, and Hardwood Mills. Companies in Burrton continue to have strong sales. AGCO reported 1,150 employees with projected growth in the future. Excel reported 630 employees and feel that they have the right number of employees.

ii. Jennifer reported the upcoming meetings for the HCEDC; Feb. 4 Executive Committee, 6 Spirit Job Fair, 7<sup>th</sup> Chamber Economic Development group, 14<sup>th</sup> Public Private, 20<sup>th</sup> SAT Meeting, 21<sup>st</sup> Newton Chamber Breakfast, 26<sup>th</sup> EDC Board, 27<sup>th</sup> SCEDD Board meeting.

**c. John Walters Report:**

i. John Waltner provided an update on regional meetings attended. John reported that Jennifer will send out a link to the transportation WAPO video's that he had reported on previously. He will also collect an e-mail list to send to Laura Rainwater with REAP for those who would like to be on the monthly newsletter list.

ii. John reported on a REAP meeting with guest speaker Sec. Toland. The message is the region labor markets continues to lag behind other markets like Dallas, TX, Des Moise, IA, and Nationally. Our greatest loss is those who leave the region to go to college and don't return. In January there was an annual meeting with 50 delegations. Steve Owens was part of that delegation. Another meeting attended was an EDO meeting in El Dorado. John reported on an entrepreneur that was bringing new ideas to El Dorado.

**VI. New Business**  
No New Business

**VII. Old Business**  
No old business

**VIII. Adjourn**

Respectfully Submitted,

Jennifer Mueller

Business Retention Manager

Harvey County EDC

(316) 283-6033

[www.harveycoedc.org](http://www.harveycoedc.org)

# Minutes

**Library trustees present:** Debra Voth, Jen Person, Becky Herron, Joel Kauffman, and Rachel Bucklin, Emma Gunden.  
**Staff Present:** Melissa Carlson, Director Hanneke van Bergeijk  
**Absent:** Frank Brenneman

**1. February Minutes/March Agenda- Motion to approve by Joel Kaufman, Seconded by Rachel Bucklin, all approved.**

**2. Circulation/Programs/Librarian's Report-**

- a. Circulation and Programs Reports
- b. Calendar:
  - March 16<sup>th</sup>- Fraud Watch Network Program.
  - March 24<sup>th</sup>- Kingdom Life Afterschool Bingo
  - March 27<sup>th</sup>- Insignia Training-See vote below!
  - March 30<sup>th</sup>- Peeps Diorama Contest Entry Week
  - April 4-11<sup>th</sup>- Money Smart Week
  - April 6<sup>th</sup>- Money Smart Afterschool Class with Golden Plains
  - April 6<sup>th</sup>- Evening Money class with Susan Lamb and Golden Plains.
  - April 7-8<sup>th</sup>- Melissa Gone to Leadership Conference.

**All above events have been cancelled to this point.**

- c. Programs:
  - Mystery Monday each week- Average of 8
  - Bingo once a month for afterschool kids
  - Friday Films each week
  - Story Time each week

**All of the above programs have been suspended**

**3. Financial/Budget Report-**

- a. Fund Report
- b. City Council Meeting Discussion- Budget Prep in April?? Or when we have reopened.

**4. Other:**

- a. Pandemic Preparedness-**Motion by Debra Voth to close the library effective immediately and evaluate weekly, with staff being paid for their normally scheduled hours during the COVID-19 Pandemic, seconded by Joel Kauffman, all in favor.**

Pandemic Policy Adoption: **Motion by Jen Person to approve the new pandemic policy, seconded by Joel Kauffman, and all in favor. Updates to the policy will be sent with the minutes.**

- b. Background Checks for Volunteers- **Check with the police department or city to see if we can join their background check system with new employees.**
- c. Holiday Schedule for 2020- **approved closing July 3<sup>rd</sup> for holiday, Closing ½ day on Christmas Eve and New Years Eve and the Saturday following Christmas and New years day.**
- d. Closing for Staff Training- March 27<sup>th</sup> until 12:00 noon- **This is no longer happening. Training will be done online during the time we are closed.**

HESSTON PUBLIC LIBRARY GOALS  
(EST. 2019)

## Goals...

- **Hesston Public Library, in collaboration with Board and Staff, will offer a variety of resources for community members to experience economic benefits and well-being.**
- **Hesston Public Library, in collaboration with Board and Staff, will engage in and promote projects that have a collective impact on the community.**
- **Hesston Public Library, in collaboration with Board and Staff, will provide technology and resources to support the diverse needs of community members of all ages and digital abilities.**



## **Pandemic/Infectious Disease Policy**

This plan will be updated as needed by utilizing specific sources and local community recommendations.

- Center for Disease Control
- Harvey County Health Department
- Other Larger Libraries and SCKLS
- City of Hesston
- USD 460

### **Daily Actions**

- Employees should wash hands regularly and/or use alcohol based hand sanitizer that is available throughout the building.
- Employees should routinely clean work areas.
- If cleaning supplies are needed, please inform your Department Head.
- Public areas are cleaned regularly by maintenance staff. This includes computers, keyboards, desks, tables, play areas, etc.
- Should the library close due to illness, maintenance staff will conduct a thorough cleaning of the entire building before the library opens to the public and staff return to work. Maintenance staff will take every precaution to preserve their own health.

### **Employee Sickness Actions**

- Anyone with symptoms is required to stay home. If an employee comes to work with symptoms they will be sent home immediately
- Employees must be fever & symptom free for 24 hours without the assistance of fever-reducing or symptom-altering medication to return to work.
- As following policy, a doctor's note will may be required to return to work after a 3-day absence.
- An employee who has a sick family member must notify the Director.
- If an employee suspects a co-worker is ill, it must be reported immediately to the Director
- If Hesston Public Library becomes aware that an employee is confirmed to have an infectious disease, the director will inform fellow employees of their possible exposure, but must maintain confidentiality as required by the Americans with Disabilities Act (ADA).
- Should an employee be confirmed to have an infectious disease, that requires quarantine, Hesston Public Library will close immediately until further notice.

## **Community Actions**

- If a Infectious Disease has been confirmed in Harvey County, Hesston Public Library will pull all toys from the children's area and cancel all face-to-face activities, until the pandemic has cleared.
- Hesston Public Library will close immediately if a patron infected with and infectious disease that requires quarantine was known to be in the Library. A full cleaning of the entire building will be completed.
- Hesston Public Library will close to protect staff should it be necessary, or when there is more not enough staff who can be in attendance because of illness amongst staff. The decision to do so will be based upon recommendations from local sources and the Hesston Public Library director, in communication with the library board.
- All public communications will be done only by the Director or Library Board or unless directed by administration. In the absence of both, the library staff will handle communications. This includes communications to our website, email newsletter, social media, and newspaper.

## **Hesston Public Library Actions**

- Hesston Public Library will make available to all employees, disposable gloves and face masks, if available and needed.
- Should HPL closes because of a pandemic, the director, assistant director, or administrative manager will notify all staff members and receive verbal confirmation from each employee.
- Employees who are able to do so will work from home. This includes the administration staff.
- The Director or other staff member will perform necessary building checks.
- Courier service will be suspended while HPL is closed.
- If HPL closes, all workshops, storytimes, activities and face to face events will be cancelled. Notification of cancellations will be put on social media and the library website. It may be necessary to cancel events, even if HPL does not close. The same notification procedure will be followed.
- Should HPL close for a pandemic, staff members will be paid for the time they were scheduled to work. If a staff member is out sick, they will be charged sick leave. After they have received a doctor's note to return to work, they will be paid for the time they were scheduled to work.
- HPL will waive all fines and overdue notices during the time the library is closed due to pandemic. Holds will be held in building and due dates adjusted when the library re-opens. E-library materials will still be available during the library closure.
- Hour changes/reduction in hours may occur during a pandemic, so that staffing minimums can be met and disease spread can be controlled.

# Hesston Tree Board

Sunday, March 8, 2020 11:23 AM

**March 6th , 7:00 AM Donut Shop**

**Present:** Chris T. , Ken S., Michelle P., Jim Y.,  
John C., Marty P.

**Absent :** Mike H.

1. **Spring Tree Program : No Update** -- going to try to get more information out , Chris is going to work on getting information out with maybe some color in it to get peoples attention. Chris T., and John C., are going to work together on this.
2. **5th Grader trees :** will be the last Friday in April 24th , Arbor Day . Tree should be in the middle of the month , Ken will get in touch with us when they come in and will work out a time that will work for us to put them together for the 5th graders class.
3. **TCUSA:** March 26th , Salina Rolling Hills those that will be able to go are Chris t., Ken S., Marty P., Jim Y., Michelle P., ( John will let us know if he can go.)
4. **Arbor Day Plan:** Not for sure yet where to go with the tree , Last year we had a morning we worked with the Girl Scouts. It is something that we do in the City Park or School Ground on Arbor Day with a small ceremony.
5. **STANDING DEAD PINES:** Mike H. was in charge of getting news out to the City residents on getting the Trees out. April is the month the Beatles will be starting in again. We have not heard any word on that being done as of yet. Chris T., is going to get a email out to Mike H., to see if we can get something Going on this before next Meeting. The trees need to burned once cut down.
6. **Other Agenda :** We will start to scan the Parks and Schools on how the trees are looking if they need some attention. We talked about the Cottonwood Tree's at Emma Creek Park , how old they are getting and need some work on them.

**Next Meeting :** April 3rd , 2020, 7:00 AM Donut shop.

**Recorded By :** Michelle P.

## Hesston Recreation Board Agenda

Date: 2.20.20

Time: 11:30 am

Location: HRCE office

Present: Kris White, Becky Tozier, Derek Roth, Chad Fuqua, Skylar Hill

### 1. Procedural Items

Call to order: Kris White called the meeting to order at 11:30 am

### 2. ACTION ITEMS

- a. Adopt Agenda: Skylar moved Susan Lamb's report after item 7 and switched 7 c & d. Chad Fuqua moved that we adopt the agenda with Skylar's changes, Derek Roth 2nd, motion passed 4-0
- b. Approve 1.22.20 Minutes: Chad Fuqua moved to adopt the minutes, Derek Roth 2nd, motion passed 4-0
- c. Approve Check register: Becky Tozier moved to approve the check register, Chad Fuqua 2nd, motion passed 4-0

3. Employee Comment: Christine Wyrick presented the HRCE Independent Contractor Agreement. The Board discussed adding language after the first paragraph and in item 4. That reads "in accordance with terms of attached detail if applicable" or something to that effect. The Board also requested that she discuss omitting the last sentence of item 2. Pertaining to worker's compensation with attorney.

Susan Lamb reported on sponsorships for Emma Creek. Summer classes including Todd Lafferty teaching archery, sewing classes and craft classes, 1 day field trip locations including Chicken n' Pickle, Salt Mines, Derby Dinosaur Park, and an Ag Camp with Melissa Drzymalla sponsored by Farm Bureau. Lastly she updated us on Hay Day; possible German food, secured music from Matt Dreier's Band The Goons, Home Run Derby, and Wiffle Ball Tournament.

### 4. Report Items:

- a. Aquatics/Assistant Director Update: The job is listed online and will be for two weeks. Skylar is listing it in the local paper. The board discussed contract parameters and wording for Renee Ewert's contract to compensate her for consulting if the need arises.
- b. Groundskeeper Update: Skylar met with Mike Hulteen and discussed the job description. The job will be listed and Mike will begin talking with applicants with potential to be interviewed by Skylar, Ben Proctor and other personnel at USD 460.
- c. City of Hesston Partnership: We will have our annual joint meeting on Monday, February 24 at 6pm at the City Council room. We will hear plans for Ridgepoint and there has been initial discussion of partnership with HRCE for a community facility.
- d. Summer 2020 plans: See Susan Lamb's update above

5. Board Discussion: The Board wishes for Skylar to have the Carl Boyer plaque installed at the Softball Field, the Sid Witcher Legacy Seat and Flagpole installed at the Baseball Field for the opening day games.

Adjournment: Meeting adjourned 12:45 pm

## Joint Meeting Agenda

Date: 2.24.20

Time: 6 pm

Location: Hesston City Council Chambers

Present: Derek Roth, Kris White, Chad Fuqua, Blake Buhrman, Rebecca Tozier, Skylar Hill, Susan Lamb, Board Members for City Council & Gary Emry, Board Members for USD 460 & Ben Proctor

1. Action: Call to order Kris White opened the meeting for HRCE at 6 pm

2. Action Items:

- a. Adopt Agenda Chad Fuqua moved to adopt the agenda, Blake Buhrman 2nd, motion passed 5-0

3. Dinner was catered by Water's Edge

4. City Report: Gary Emry reported on the future of Ridge Pointe, the 22 acre property between Highway 81 & Ridge Road. He shared an artist rendering of proposed land development that included a community gathering place, pond/drainage, commercial office park, and housing development. This would be a joint project between the City, USD 460, and HRCE. The joint project to develop new facilities under the care of HRCE (baseball, softball, soccer and pool) has been successful and future projects strengthen this relationship and make best use of taxpayer dollars. It is proposed that the city, USD 460 & HRCE partner so that this vision can be achieved without increasing taxes on residents, expected cost is 3-4 mill. It is proposed that the city would own the community gathering place and possibly HRCE would relocate their offices to provide staffing in this location. The visions include a commercial office park and housing development; both would be achieved by partnering with private developers. Lastly the city proposes that an Ad Hoc committee comprised of board members from each organization as well as community members be formed to manage this property development.

5. USD 460 Report: Ben Proctor reported enrollment trends, noting that 2020 was the highest enrollment in 20 years at 859 students. Non resident students account for 149 of the 859 students and are subject to an application and a rigorous review process with high standards for admittance.

Ben reported that September 2022 a 20 year bond project comes to a close and he would like to start a community committee to talk about ideas for future development and updates to the district schools and property. Improvements to be considered include remodeling the High School, infrastructure & new construction. Ben noted that you can find details of USD 460's District Priorities on the USD 460 website which includes Capital Outlay as well as Curriculum Instruction, Personnel, Student Opportunities, & Operations.

Ben reported on the possibility of a new position shared jointly with Hesston Police Department. The position is School Resource Officer working full time at USD 460 during the school year. This position would be hired and managed by Chief Schroeder. This position would not start until 2020/2021 school year and is dependent on funding.

Lastly Ben announced a new USD 460 website that will go live in summer 2020 and Accountability Reports will be a new addition to the website. The website will have a mobile app and will be mobile friendly.

6. HRCE Report: Skylar Hill reported that HRCE is in the final stages of hiring a Field & Turf Specialist. This position will be shared jointly by HRCE & USD 460. Day to day operations will be managed by Skylar Hill and will be primarily responsible for maintenance of the Baseball Field, Softball Field, Football Field, Soccer fields and Hesston Aquatic Center grounds. Other USD 460 and HRCE field and ground maintenance will also be in the scope of this position.

Skylar announced that HRCE is in the process of hiring a new Aquatics & Assistant Director position. This position will be responsible for managing the Hesston Aquatic Center and growing program development to better meet the diverse needs of the Hesston community.

7. Susan Lamb Report: Susan reported on her role as Director of Community Engagement and talked about the success of attendance and community feedback for New Year's Eve Mic Drop and Hesston Hay Day. She believes that these provide benefit to the community because they appeal to a diverse audience and it brings people out to connect in person with other community members. Susan noted that the collaborative support and involvement of all three organizations; HRCE, City of Hesston & USD 460 have been an integral reason that these events have succeeded and with continued support and investment these community events can continue to grow.

Adjournment: 7:14 pm Derek Roth motioned to adjourn, Chad Fuqua 2nd, motion passed 5-0

Hesston Recreation Board Agenda

Date: 3.24.20

Time:11:30 am

Location: Hesston City Council Chambers and via telephone

Present: Skylar Hill, Kris White, Becky Tozier, Blake Buhrman, Derek Roth, Chad Fuqua

1. Action: Call to order Kris White called the meeting to order at 11:37 am

2. Action Items:

- a. Adopt Agenda Becky Tozier motioned to adopt, Blake Buhrman 2nd, motion carried 5-0
- b. Approve 2.18.20 and 2.24.20 Minutes: Blake Buhrman made a motion to approve, Derek Roth 2nd, motion carried 5-0
- c. Approve Check register

5. Report Items:

- a. HRCE Employees Update - Assistant Aquatics Director is hired and started work March 16. Turf Management position is on hold for 2 weeks per Ben Proctor - Skylar Will hire someone part-time to keep up with demand this spring and into summer.
- b. COVID 19 - Skylar gave an update on events unfolding related to COVID-19 since March 9 and his communication and cooperation with the City and USD 460.
  - i. Spring Outlook: HRCE will follow protocol that other recreation departments are following and work on a two week advance time frame in regards to cancelling/scheduling activities. HRCE has initiated a rotating work schedule so Susan and Christine can come to the office to complete tasks that can't be completed at home. Skylar will work some from home and some from the office where he can try to onboard Kelsey. The staff all has access to the remote Desktop to work from home. In addition all activities on school property must be cancelled, we do not have authorization to use school property for the remainder of the school year. HRCE will issue a refund or credit for spring activities and post a notice of cancellation for Co-ed Volleyball, Indoor soccer, Spring robotics and men's noon hour basketball, Emma Creek. Derek Roth made a motion to give spring activity participants a refund or credit for \$ paid, Chad Fuqua 2nd, motion carried 5-0.
  - ii. Summer Outlook: HRCE will delay cancelling any summer activities and re-evaluate every two weeks. The summer catalog will be delayed on release. Skylar is looking into the latest we could get registration for the various activities and will be talking this week with the league about modifying the league game dates/season for summer baseball, softball & t-ball if necessary. Skylar will talk to Gary Emery about filling the pool. The city provides the water every year to fill it and it takes about a week to fill and a week to heat. They may push the normal fill date of mid-April back as necessary and according to suggestions or requirements by the Kansas Governor. Skylar and Kelsey will be hiring and training lifeguards to be ready for the season when/if we can open. Skylar will also be setting up a meeting with Kelsey and Renee to line out all summer pool plans including the schedule for swim team and swim lessons.
  - iii. Budget Impact: Skylar touched on the budget referencing 2019 spring/summer and the impact COVID-19 would have on revenue lost and their related expenses.

- c. Charitable Donations: Skylar informed the board that an individual requested to donate a large sum of money to buy touch pads needed for the swim team. The board all agreed that we should have a press release on multiple platforms to announce the donation and thank the donor, even if they want to be anonymous. In addition the board feels like we need to be intentional about publicly recognizing Individuals or companies that make donations or sponsor events, possibly on multiple news platforms. Most Emma Creek sponsors for 2020 year have agreed to let their sponsorship ride to the 2021 Emma Creek walk/run. We would like to thank those sponsors as well now and next year.
- d. HRCE Policies and Procedures Handbook: Due to the cancellation of all spring activities Skylar and Christine will be taking this time to work on and finish the Policies and Procedures manual for review by HRCE Board Members at the June meeting.

7. Executive Session: Becky Tozier moved that we go into executive session to discuss non-elected personnel for 10 minutes at 12:49 pm, Blake Buhrman 2nd, motion carried 5-0. At 12:59 we extended the executive session 5 minutes. Out of executive session at 1:04 pm

8. Future Agenda Items:

Adjournment: Kris White adjourned at 1:06 pm



## 2020 Year to Date Building Permit Totals

<u>Type of Permit</u>	<u>YTD Total # Permits</u>	<u>YTD Total Val.</u>
New Residential	2	637,000
Remodel Residential	2	55,000
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	8	71,800
Total	12	\$763,800

**BUILDING PERMITS ISSUED BY MONTH**

**HESSTON 2020**

Type of Permit	Jan-20 # Permits	Jan-20 Total Val.	Feb-20 # Permits	Feb-20 Total Val.	Mar-20 # Permits	Mar-20 Total Val.	Apr-20 # Permits	Apr-20 Total Val.
New Residential	1	418,000			1	219,000		
Remodel Residential			1	35,000	1	20,000		
New Institutional								
Remodel Institutional								
New Business								
Remodel Business								
Addition to Business								
Demolish								
Move In								
Residential Garage								
Other	4	29,000	1	3,800	2	9,000	1	30,000
<b>Total</b>	<b>5</b>	<b>447,000</b>	<b>2</b>	<b>38,800</b>	<b>4</b>	<b>248,000</b>	<b>1</b>	<b>30,000</b>

Type of Permit	May-20 # Permits	May-20 Total Val.	Jun-20 # Permits	Jun-20 Total Val.	Jul-20 # Permits	Jul-20 Total Val.	Aug-20 # Permits	Aug-20 Total Val.
New Residential								
Remodel Residential								
New Institutional								
Remodel Institutional								
New Business								
Remodel Business								
Addition to Business								
Demolish								
Move In								
Residential Garage								
Other								
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Type of Permit	Sep-20 # Permits	Sep-20 Total Val.	Oct-20 # Permits	Oct-20 Total Val.	Nov-20 # Permits	Nov-20 Total Val.	Dec-20 # Permits	Dec-20 Total Val.
New Residential								
Remodel Residential								
New Institutional								
Remodel Institutional								
New Business								
Remodel Business								
Addition to Business								
Demolish								
Move In								
Residential Garage								
Other								
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

DATE	ADDRESS	OWNER	CONTRACTOR	RESIDENT COST	BUSINESS COST	PERMIT #
1/3/2020	23 PARK VIEW RD. REROOF	L. DECKER Other	ROOFING SERVICES	14,000		20-3008
1/14/2020	15 SUNSET DR. REROOF	J. JONES Other	ROOFING SERVICES	4,000		20-3009
1/15/2020	719 RANDOM RD. REROOF	M. HOLMES Other	ROOFING SERVICES	6,000		20-3010
1/16/2020	9201 EMMA CREEK RD METAL SHED	AG SERVICE, INC. Other	SELF		5,000	20-3011
1/22/2020	407 S. HOOVER RD. CUSTOM HOME	D. KLASSEN New Residential	HERITAGE HOME WOR	418,000		20-3012
2/18/2020	101 N . HESS ADDITION	E. BROWN Remodel Residential	PREFERRED BUILDERS	35,000		20-3013
2/25/2020	330 E. KNOTT FENCE	M. KING Other	LOWES	3,800		20-3014
3/3/2020	16 PARK VIEW RD. REMODEL BATHROOM	G. EMRY Remodel Residential	SELF	20,000		20-3015
3/5/2020	726 / 728 SOUTH MEAD DUPLEX	D. WOODWARD New Residential	PREFERRED BUILDERS	219,000		20-3016
3/25/2020	101 WILLOW LANE FENCE	K. TUCKER Other	SELF	2,000		20-3017
3/27/2020	104 WILLOW LANE REROOF	J. GARVER Other	ROOFING SERVICES	7,000		20-3018
4/1/2020	440 S. MAIN SWIMMING POOL	E. HABEGGER Other	EBELING POOLS, INC.	30,000		20-3019





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## Agenda Item Summary

**Meeting date:** April 13, 2020

**Subject:** Constituency Comments

**Recommendation:** Mayor Kauffman opens the floor to constituency comments.

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### Background Information:

Members of the audience may address the City Council on any item not listed on the agenda. Please limit your comments to 5 minutes.

If your comment pertains to an item listed on the agenda the Mayor will solicit public comments specific to that issue when the agenda item is taken up by the Council.



## **Agenda Item Summary**

**Meeting date:** April 13, 2020

**Subject:** Arbor Day Proclamation – April 24<sup>th</sup>, 2020

**Recommendation:** Approve the proclamation

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### **Background Information:**

**Summary:** The City of Hesston has been designated as a Tree City USA again in 2020. This is the 41<sup>st</sup> year that the city has been in the program. The proclamation is an important part of the activities focusing attention on planting and caring for trees within our community. The proclamation along with the annual program with the school children is one of the requirements to continue in the national program.

**Attachment:** Arbor Day Proclamation



Office of the Mayor

Hesston, Kansas

# Proclamation



- WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and
- WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and
- WHEREAS, Arbor Day is now observed throughout the nation and the world, and
- WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife, and
- WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products, and
- WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community and
- WHEREAS, trees are a source of joy and spiritual renewal, and
- WHEREAS, Hesston, has been recognized as a Tree City USA by The National Arbor Day Foundation and desires to continue its' tree-planting ways,

NOW, THEREFORE, I, David K. Kauffman, Mayor of the City of Hesston, do hereby proclaim  
April 24, 2020 as

## ARBOR DAY

in the City of Hesston, and I urge all citizens to support efforts to care for our trees and woodlands and to support our city's community forestry program, and

FURTHER, I urge all citizens to plant trees to gladden the hearts and promote the well-being of present and future generations.



*In witness whereof I have hereunto set my hand and caused this seal to be affixed.*

ATTEST: \_\_\_\_\_

DATE: \_\_\_\_\_



## **Agenda Item Summary**

**Meeting date:** April 13, 2020

**Subject:** GO Bond Refinance

- Bid Tabulation: Provided at Meeting
- Ordinance No. 010-2020-216: Authorizes 2020 GO Refunding Bonds in the amount of \$1,085,000
- Resolution No. 1151: Provides Details and Authorizes Sale of 2020 GO Refunding Bonds Per Ordinance 010-2020-216

**Recommendation:** Accept the recommended bid and approve associated ordinance & resolution.

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### **Background Information:**

**Bid Tabulation Briefed by:** John Haas with Ranson Financial

**Summary:** Bids for the refinancing of GO bonds were due April 13<sup>th</sup> at 11:00 a.m. A bid tabulation will be provided at the meeting.

**Ordinance and Resolution Briefed by:** City Attorney J.T. Klaus

Ordinance No. 010-2020-216 authorizes the issuance of Series 2020 Refunding Bonds in the amount of \$1,085,000 for the purpose of refinancing Series 2009 GO Bonds.

Resolution No. 1151 authorizes the sale of Series 2020 GO Refunding Bonds as outlined in Ordinance 010-2020-216.

**Attachment:**

Bond Ordinance No. 010-2020-216

Bond Resolution No. 1151

(Published in *The Hesston Record* on April 23, 2020)

ORDINANCE NO. 010-2020-216

AN ORDINANCE OF THE CITY OF HESSTON, KANSAS, AUTHORIZING THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,085,000, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE CITY; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

WHEREAS, the City of Hesston, Kansas has previously issued its General Obligation Bonds, Series 2009 (the "Refunded Bonds"), in the original principal amount of \$1,621,000, of which \$1,115,000 remains outstanding; and

WHEREAS, the City has previously authorized a public sale and instructed the City's Bond Counsel to prepare an Official Notice of Bond Sale and Bid Form and instructed the City's Financial Advisor to prepare an Official Statement and authorize the Financial Advisor to distribute such Official Statement to prospective bidders; and

WHEREAS, the City finds and determines it is necessary and appropriate to issue (i) certain general obligation bonds pursuant to K.S.A. 10-427 *et seq.*, as amended (the "Refunding Act") for the purpose of refunding and providing certain of the funds necessary to redeem the City's outstanding Refunded Bonds; and

WHEREAS, the City is authorized by the K.S.A. 10-101 to 10-125, inclusive, as supplemented and amended (the "Bond Act"), to issue, sell and deliver its general obligation bonds for the purpose of providing financing to refund, redeem, and pay the Refunded Bonds; and

WHEREAS, the governing body has, pursuant to the Bond Act and by Resolution No. 1149, adopted March 9, 2020, authorized the sale of general obligation bonds of the City, the sale was held, and the general obligation bonds have been awarded to the best bidder; and

WHEREAS, the governing body determines it necessary and appropriate to authorize and provide for the issuance of such general obligation bonds for the purpose of providing the necessary funds for the purposes described; and to specify the terms, details, form and conditions of the general obligation bonds.

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

SECTION 1. Authorization of the Bonds. General Obligation Refunding Bonds, Series 2020 of the City in the total principal amount of One Million Eighty-Five Thousand Dollars

(\$1,085,000.00) (the “Bonds”) are authorized to be issued for the purpose of providing funds to refund, redeem, and pay the Refunded Bonds and pay the costs of issuing the Bonds.

SECTION 2. Security for the Bonds. The Bonds are general obligations of the City of Hesston, Kansas (the “City”). The full faith, credit and resources of the City are pledged to secure the payment of the principal of and the interest on the Bonds as the same severally become due and payable. The governing body of the City covenants that it shall annually make provision for the payment of the principal of and the interest on the Bonds as and when the same become due and payable by levying and collecting the special assessment taxes upon the properties liable therefor, and/or by levying and collecting the necessary ad valorem taxes upon all of the taxable tangible property located within the territorial limits of the City, in such amounts as are necessary to provide for such annual payment.

SECTION 3. Terms, Details and Conditions of the Bonds. The Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to maturity thereof, and shall be issued and delivered in the manner prescribed and subject to the provisions, covenants and agreements set forth in a resolution hereafter adopted by the governing body of the City (the “Resolution”).

SECTION 4. Designation of Paying Agent and Bond Registrar; Issuer/Agent Agreement. Pursuant to K.S.A. 10-620 *et seq.*, the governing body of the City elects to have the provisions of the Kansas Bond Registration Law apply to the Bonds and designates and appoints the Treasurer of the State of Kansas, Topeka, Kansas, as the Bond Registrar and Paying Agent for the Bonds (the “Paying Agent”). The terms, conditions and provisions under which the Paying Agent will perform its duties are set forth in an Agreement between Issuer and Paying Agent dated as of May 5, 2020 (the “Issuer/Agent Agreement”). The form and text of the Issuer/Agent Agreement are approved and accepted by the governing body, and all of the covenants, duties and responsibilities therein to be performed by and on behalf of the City are hereby declared to be the covenants, duties and responsibilities of the City as though fully set forth at this place. The Mayor and City Clerk are authorized to execute and deliver the Issuer/Agent Agreement for and on behalf of the City. The Issuer/Agent Agreement is incorporated in and made a part of this Ordinance as though fully set forth at this place; provided however, the inclusion of the Issuer/Agent Agreement in the publication of this Ordinance shall not be required.

SECTION 5. Levy and Collection of Annual Tax. The governing body of the City shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by levying and collecting the necessary taxes and/or assessments upon taxable tangible property within the City in the manner provided by law.

The taxes and/or assessments above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as other general ad valorem taxes of the City are levied and collected, shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent. The proceeds derived from said taxes and/or assessments shall be deposited in the Series 2020 Principal and Interest Account, as defined in the Resolution.

If at any time said taxes and/or assessments are not collected in time to pay the principal of or interest on the Bonds when due, the City Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the City and to reimburse said general funds for money so expended when said taxes are collected.

SECTION 6. Tax Covenants. The governing body of the City covenants that so long as any of the Bonds remain outstanding and unpaid, no use will be made of the proceeds thereof which, if such use had been reasonably expected on the date of issuance and delivery, would have caused the Bonds to be “arbitrage bonds” within the meaning of Section 103(b)(2) of the Internal Revenue Code of 1986, as amended (the “Code”); and that it will comply with all applicable requirements of Section 148 of the Code and the Rules and Regulations of the United States Treasury Department thereunder for so long as any of the Bonds remain outstanding and unpaid. The governing body further covenants to take all such action in its power as may be required from time to time in order to ensure the continued tax-exempt status of the interest on the Bonds, and to comply with all provisions of the Code, as the same be amended, and any applicable Rules and Regulations of the United States Treasury Department thereunder.

SECTION 7. Authorization of Official Statement; Continuing Disclosure. The governing body of the City hereby ratifies and confirms its prior approval of the form and content of the “deemed final” Preliminary Official Statement dated [OFFICIAL STATEMENT DATE] and the use of the final Official Statement in the reoffering of the Bonds by [ORIGINAL PURCHASER], [ORIGINAL PURCHASER CITY AND STATE], as Original Purchaser is approved and authorized; and the Mayor is authorized to execute and the City Clerk to attest the Official Statement on behalf of the City. The City covenants and agrees to provide continuing disclosure as required by Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR part 240, §240. 15c2-12) and as set forth in the Continuing Disclosure Undertaking submitted to the governing body with this Ordinance. The Mayor is authorized to execute and the City Clerk to attest the Continuing Disclosure Undertaking on behalf of the City.

SECTION 8. Designation as Qualified Tax-Exempt Obligations. The governing body of the City designates the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code.

SECTION 9. Further Authority. The City and its officers, agents and employees are authorized and directed to, take such actions, expend such moneys and execute such other documents, certificates and instruments as may be necessary or desirable in order to carry out and comply with this Ordinance and to give effect to the transactions contemplated hereby, including final certificates required to be included in the official Transcript of Proceedings relating to the authorization and issuance of the Bonds, all without further action by the governing body.

SECTION 10. Severability. If any provision of this Ordinance shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason,

such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatsoever.

SECTION 11. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State of Kansas.

SECTION 12. Effective Date. This Ordinance shall be in force and take effect from and after its adoption and approval and its publication one time in the City's official newspaper.

*[Remainder of Page Intentionally Left Blank]*

ADOPTED AND APPROVED by the governing body of the City of Hesston, Kansas on this 13th day of April, 2020.

CITY OF HESSTON, KANSAS

[seal]

By \_\_\_\_\_  
David K. Kauffman, Mayor

ATTEST:

By \_\_\_\_\_  
Jason Thrasher, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Hesston, Kansas met in regular session, at the usual meeting place in the City on April 13, 2020, at 6:00 p.m., with Mayor David K. Kauffman presiding, and the following members of the governing body present:

and the following members absent:

Thereupon, the governing body formally acknowledged the receipt prior to the deadline of sealed bids on not to exceed \$1,085,000 principal amount of the City's General Obligation Refunding Bonds, Series 2020. All bids having been examined, compared and verified, on motion of \_\_\_\_\_, seconded by \_\_\_\_\_, it was determined that the Bonds should be awarded to the following bidder:

[ORIGINAL PURCHASER]  
[ORIGINAL PURCHASER CITY AND STATE]

whose bid represents the lowest true interest cost to the City. The Mayor and City Clerk were directed to execute and return a copy of the successful bidder's Official Bid Form (said bid adjusted to \$\_\_\_\_\_ par amount to account for premium included in the bid); and the City Clerk was further directed to return the good faith checks or other deposits of all unsuccessful bidders.

Thereupon, there was presented to the governing body an Ordinance entitled:

AN ORDINANCE OF THE CITY OF HESSTON, KANSAS, AUTHORIZING THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,085,000, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE CITY AND FINANCING THE COSTS OF MULTIPLE CAPITAL IMPROVEMENTS IN THE CITY PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

Thereupon, the Ordinance was considered and discussed, and upon the motion of \_\_\_\_\_, seconded by \_\_\_\_\_, the Ordinance was adopted by a majority vote of the governing body, it was given No. 010-2020-216 and was directed to be signed by the Mayor and attested by the City Clerk; and the City Clerk was directed to publish the Ordinance one time in the City's official newspaper as required by law and as provided therein.



Thereupon, and among other business, there was presented to the governing body a Resolution entitled:

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020, IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$1,085,000, OF THE CITY OF HESSTON, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 010-2020-216 OF THE CITY; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

Thereupon, the Resolution was considered and discussed; and on motion of \_\_\_\_\_, seconded by \_\_\_\_\_, the Resolution was adopted by a majority vote of all members present.

Thereupon, the Resolution having been adopted by a majority vote of the members of the governing body present, it was given No. 1151, and was directed to be signed by the Mayor and attested by the City Clerk.

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CITY CLERK'S  
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of Minutes of the April 13, 2020 meeting of the governing body of the City of Hesston, Kansas.

[seal]

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Jason Thrasher, City Clerk

RESOLUTION NO. 1151

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020, IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$1,085,000, OF THE CITY OF HESSTON, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 010-2020-216 OF THE CITY; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the governing body of the City of Hesston, Kansas (the “City”) has adopted Ordinance No. 010-2020-216 (the “Bond Ordinance”) authorizing the issuance of the City’s General Obligation Refunding Bonds, Series 2020 (the “Bonds”) for the purpose of providing funds to pay a portion of the costs of the improvements described and defined in the Bond Ordinance (the “Project”); and

WHEREAS, the Bond Ordinance authorized the governing body of the City to adopt a resolution prescribing certain details and conditions and to make certain covenants with respect to the issuance of the Bonds.

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

SECTION 1. Authority for Bonds; Security.

(A) The Bonds are authorized and directed to be issued by the Bond Ordinance in the principal amount of and for the purposes described in the Bond Ordinance. In all matters relating to the issuance, registration and delivery of the Bonds, the City of Hesston, Kansas (the “City”) will comply with the provisions, requirements and restrictions of K.S.A. 10-101 to 10-125, inclusive, as supplemented and amended (the “Bond Act”), as well as the Refunding Act (as defined in the Bond Ordinance).

(B) The full faith, credit and resources of the City are pledged to secure the payment of the principal of and the interest on the Bonds as the same severally becomes due and payable. The governing body of the City covenants that it shall annually make provision for the payment of the principal of and the interest on the Bonds as and when the same becomes due and payable by levying and collecting the necessary special assessment taxes upon the properties liable therefor, and/or by levying and collecting the necessary ad valorem taxes upon all of the taxable tangible property located within the territorial limits of the City, in such amounts as are necessary to provide for such annual payment. When received, the proceeds derived from the aforesaid taxes shall be deposited into the Series 2020 Principal and Interest Account hereinafter created by this Resolution; provided, that if at any time the amount in the Series 2020 Principal and Interest Account shall be insufficient to make the payments of the principal of and the interest on the Bonds when required because of an untimely collection and/or receipt of said taxes, the City Clerk is

authorized to transfer from the City’s general funds to the Series 2020 Principal and Interest Account hereinafter created, the amount required for such payments and to then reimburse the City’s general funds for such expended amounts immediately upon the collection and receipt of said taxes.

SECTION 2. Details of Bonds; Payment of Principal and Interest. The Bonds shall be issued in the total principal amount of One Million Eighty-Five Thousand Dollars (\$1,085,000.00), shall be designated “City of Hesston, Kansas, General Obligation Refunding Bonds, Series 2020”; and shall be dated May 5, 2020 (the “Dated Date”). The Bonds shall mature on August 1 (the “Principal Payment Date”) in each of the years and in the principal amounts and shall bear interest at the respective rates per annum (computed on the basis of a 360-day year of twelve 30-day months), as follows:

**MATURITY SCHEDULE**

SERIAL BONDS

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
08/01/2021	\$100,000.00	__._%
08/01/2022	100,000.00	__._%
08/01/2023	105,000.00	__._%
08/01/2024	105,000.00	__._%
08/01/2025	105,000.00	__._%
08/01/2026	110,000.00	__._%
08/01/2027	110,000.00	__._%
08/01/2028	115,000.00	__._%
08/01/2029	115,000.00	__._%
08/01/2030	120,000.00	__._%

TERM BONDS

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
08/01/2030	\$__,000.00	__._%

**[BOOK-ENTRY ONLY LANGUAGE: Subject to the book-entry provisions of Section 6 of this Resolution,]** The Bonds shall be issued as fully registered certificated bonds without coupons in denominations of \$5,000, or integral multiples thereof not exceeding the principal amount of Bonds maturing on the respective Principal Payment Date; and the Bonds shall be numbered in such manner as the Bond Registrar (hereinafter defined) shall determine.

The principal amount of the Bonds shall be payable in lawful money of the United States of America by check or draft of the Paying Agent (hereinafter defined) upon the presentation of the Bonds for payment and cancellation at the Paying Agent’s principal office in the City of Topeka, Kansas. The interest on the Bonds shall be payable in lawful money of the United States of America to the owners of the Bonds (the “Owners”) as of the Record Date (hereinafter defined), by check or draft of the Paying Agent mailed to the Owners at their addresses as shown on the

Registration Books, or at such other address as an Owner has furnished in writing to the Bond Registrar.

The interest on the Bonds shall be payable semiannually on February 1 and August 1 of each year (the "Interest Payment Dates"), commencing February 1, 2021, to the Owners of the Bonds as shown on the Registration Books as of the fifteenth (15th) day of the month prior to the Interest Payment Date (the "Record Date"). The Bonds shall bear interest from the Interest Payment Date immediately preceding their effective authentication date, unless such effective authentication date shall be an Interest Payment Date in which case the Bonds shall bear interest from such Interest Payment Date, or unless the effective authentication date shall be prior to the first Interest Payment Date, in which case the Bonds shall bear interest from the Dated Date. The effective date of authentication shall be set forth on each Bond, such date to be the date of authentication by the Bond Registrar.

In any case where a Principal Payment Date or an Interest Payment Date (collectively a "Payment Date") occurs on a date which is, a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State of Kansas and on which the Paying Agent is scheduled in the normal course of its operations to not be open to the public for conduct of its operations, then the payment of such principal, premium or interest need not be made on such Payment Date, but may be made on the next succeeding business day with the same force and effect as if made on the applicable Payment Date, and no interest shall accrue for the period after such scheduled Payment Date.

### SECTION 3. Redemption of Bonds.

(A) Optional Redemption. At the option of the City, the Bonds maturing August 1, 2028, and thereafter, may be called for redemption and payment prior to their respective maturities, on August 1, 2027 or thereafter, as a whole or in part at any time, as determined by the City, at a redemption price equal to the principal amount, plus accrued interest to the date of redemption, without premium.

[(B) Sinking Fund Redemption. Each of the Bonds maturing on August 1, 2030 (the "Term Bonds"), shall be subject to mandatory redemption and payment from the sinking fund hereinafter described, beginning August 1, [First Sinking Fund Year], and continuing on August 1 of each year thereafter pursuant to the redemption schedule hereafter set out, at the principal amount thereof, plus accrued interest thereon to the date fixed for redemption and payment, without premium.

As and for a sinking fund for the retirement of the Term Bonds, the transfers to the Series 2020 Principal and Interest Account required by this Resolution which are to be made for payments commencing August 1, [First Sinking Fund Year], shall be sufficient to redeem, and the City hereby agrees to redeem, the following principal amounts of the Term Bonds on August 1, in each of the following years:

<u>Redemption Date</u>	<u>Principal Amount</u>
------------------------	-------------------------

August 1, [First Sinking Fund Year]	[\$[First Sinking Fund Amount]
August 1, [Second Sinking Fund Year]	[Second Sinking Fund Amount]
August 1, [Third Sinking Fund Year]	[Third Sinking Fund Amount]
August 1, [Fourth Sinking Fund Year]	[Fourth Sinking Fund Amount]

(Leaving \$[Final Sinking Fund Amount] to mature on August 1, 2030)

The Term Bonds to be redeemed and paid pursuant to the operation of the sinking fund shall be selected by the Paying Agent in such equitable manner as it may designate. The Paying Agent shall each year in which the Term Bonds are to be redeemed pursuant to the terms of the sinking fund make timely selection of the Term Bonds to be so redeemed and shall give notice thereof to the Owners as hereinafter provided without further instructions from the City.

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the City may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the City under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the City to redeem Term Bonds of the same stated maturity on such mandatory Redemption Dates as determined by the City, and the principal amount of Term Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the City intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the City will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.]

(C) Selection of Bonds to be Redeemed. The Bonds shall be redeemed only in face amounts of \$5,000 or integral multiples thereof. If the City elects to call for redemption less than all of the Bonds at the time outstanding, the Bonds shall be redeemed in such manner as the City shall determine, with Bonds of less than a full maturity to be selected by lot in units of \$5,000; and the City shall, in the case of Bonds registered in denominations greater than \$5,000, treat each \$5,000 of face value of a Bond so registered as though it were a separate Bond in the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any fully registered Bond certificate is selected for redemption, then the Owner of such Bond shall forthwith present and surrender such Bond to the Paying Agent for payment of the redemption price of the \$5,000 unit or units of face value called for redemption, and for exchange, without charge to the Owner thereof for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such

Bond of a denomination greater than \$5,000 shall fail to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of the principal amount thereof called for redemption (and to that extent only).

(D) Notice of Redemption. The City shall give notice of any call for redemption and payment in writing to the Paying Agent not less than forty-five (45) days prior to the redemption date; and the Paying Agent shall give notice of such call for redemption and payment in writing mailed via United States first class mail to the Owners of the Bonds so called not less than thirty (30) days prior to the redemption date, unless any Owner has waived such written notice of redemption. The City shall also give or cause to be given such additional notice of any call for redemption and payment as may be required by the laws of the State of Kansas which are in effect as of the date of giving any such notice. All notices of redemption given under the provisions of this Section shall state (i) the redemption date, (ii) the redemption price, (iii) if less than all Outstanding Bonds are to be redeemed, the identification (and in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed, (iv) that on the redemption date the principal amount, and premium, if any, will become due and payable upon each such Bond or portion thereof which has been selected for redemption, and that the interest thereon shall cease to accrue from and after the redemption date, (v) any conditions required prior to redemption and payment, and (vi) that the Bonds so selected for redemption are to be surrendered to or at the principal office of the Paying Agent for payment. The failure of any Owner of the Bonds to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

With respect to optional redemptions, at the option of the City, such notice may be conditional upon moneys being on deposit with the Paying Agent on or prior to the redemption date in an amount sufficient to pay the redemption price on the redemption date. If such notice is conditional and moneys are not received, such notice shall be of no force and effect, the Paying Agent shall not redeem such Bonds and the Paying Agent shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

(E) Deposit of Moneys for and Payment of Redemption Price. On or prior to the redemption date, the City shall deposit with the Paying Agent sufficient funds to pay the redemption price, together with all unpaid and accrued interest thereon to the redemption date, of all Bonds or portions thereof selected for redemption on the redemption date. Upon the surrender by the Owners of Bonds selected for redemption, the Paying Agent shall pay the redemption price therefor to the Owners. If one or more, but not all, of the \$5,000 units of face value represented by any Bond is selected for redemption and surrendered and paid, then the Paying Agent shall prepare and furnish to the Owner thereof a new Bond or Bonds of the same maturity and in the amount of the unredeemed portion of such Bond as provided above. All Bonds selected, called and surrendered for redemption shall be canceled by the Paying Agent and shall not be reissued.

(F) Effect of Call for Redemption. Whenever any Bond, or one or more of the \$5,000 units of face value represented by any Bond, has been selected for redemption and payment as provided in this Section, all interest on such Bond, or such one or more of the \$5,000 units of face

value represented by any such Bond, shall cease from and after the redemption date, provided funds are then available for its payment at the price hereinbefore specified.

SECTION 4. Designation of Paying Agent and Bond Registrar. Pursuant to K.S.A. 10-620 *et seq.*, the governing body of the City has elected to have the provisions of the Kansas Bond Registration Law apply to the Bonds and pursuant thereto, has designated and appointed the Treasurer of the State of Kansas, Topeka, Kansas, as the Bond Registrar and Paying Agent for the bonds (the “Paying Agent” or “Bond Registrar”). The terms, conditions and provisions under which the State Treasurer will perform its duties as Bond Registrar and Paying Agent for the Bonds are set forth in an “Agreement between Issuer and Agent”, dated as of May 5, 2020 (the “Issuer/Agent Agreement”) and authorized by the Bond Ordinance.

**[BOOK-ENTRY ONLY LANGUAGE:]**

The Paying Agent shall make payment directly to DTC or its nominee, as the registered owner, for the principal of and the interest on the Bonds; and DTC will remit such principal and interest to its Direct Participants for distribution to the Beneficial Owners, all as defined and in the manner set forth in the following Section 6 and as governed by the terms of the Letter of Representation (hereinafter defined).

In the event that the Bonds should be issued and delivered in certificated form at any time after the initial delivery of the Bonds, the Paying Agent shall maintain Registration Books for the ownership of the Bonds on behalf of the City; and the Paying Agent will make payment for the Bonds directly to the registered owners of the Bonds as shown by said Registration Books in the manner set forth in Section 2 hereof.]

SECTION 5. Ownership; Transfers and Exchanges; Mutilated, Lost, Stolen or Destroyed Bonds. Pursuant to the Issuer/Agent Agreement, the Bond Registrar shall maintain books for the recording of the initial registration and any subsequent transfers of the ownership of the Bonds (the “Registration Books”), and the person(s) in whose name any Bond is registered as shown on the Registration Books shall be deemed and regarded as the absolute Owner thereof for all purposes. Payment of, or on account of, the principal of and the interest on any such Bond shall be made only to or upon the order of the Owner or his duly authorized agent. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

The provisions, terms, conditions and requirements for the transfer and exchange of the Bonds, and for the replacement of a mutilated, lost, stolen or destroyed Bond are fully set forth in the Issuer/Agent Agreement. Replacement bonds delivered upon any transfer or exchange made in compliance with the provisions, terms, conditions and requirements set forth in the Issuer/Agent Agreement shall be valid obligations of the City, evidencing the same debt as the Bonds surrendered, shall be secured by the pledges made in this Resolution and the Bond Ordinance and shall be entitled to all of the security and benefits hereof to the same extent as the bonds surrendered.

**[BOOK-ENTRY ONLY LANGUAGE:]**



**SECTION 6. Book-Entry-Only Bonds.** The Bonds shall be initially distributed in book-entry-only form through The Depository Trust Company, New York, New York (“DTC”), by depositing with DTC one certificate for each maturity in fully registered form, registered in the name of DTC’s nominee, Cede & Co., in an amount equal to the total principal amount of the Bonds maturing on the respective Principal Payment Dates as authorized herein. Notwithstanding anything in this Resolution to the contrary, so long as the Bonds remain in book-entry-only form the manner of payment of the principal of and the interest on the Bonds to DTC, and other matters relating to the distribution of the Bonds in book-entry-only form through DTC, shall be governed by the provisions of this Section 6 and a Letter of Representations from the City to DTC (the “Letter of Representations”), which the Mayor or City Clerk is hereby authorized to execute and deliver on behalf of the City.

One certificate per maturity registered in the name of DTC’s nominee, Cede & Co., for the total principal amount of the Bonds maturing on the respective Principal Payment Dates will be issued to DTC in New York, New York; and such certificates will be immobilized in its custody. Purchases of the Bonds in denominations permitted by Section 2 hereof must be made by or through Direct Participants of DTC (as defined in the Letter of Representations), which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Transfers of ownership will be effected on the records of DTC and its Participants pursuant to the rules and procedures established by DTC and its Participants. Payment of principal and interest on the Bonds will be made in same day funds directly to DTC. The transfer of principal and interest to Participants of DTC will be the responsibility of DTC; the transfer of principal and interest to beneficial owners by Participants of DTC will be the responsibility of such Participants. Neither the City nor the Paying Agent and Bond Registrar will be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

In the event the Bond Registrar receives written notice from Participants having interest in not less than 50% of the Bonds outstanding, as shown on the records of DTC (and certified to such effect by DTC), that the continuation of a book-entry only system to the exclusion of any Bonds being issued to any Registered Owner other than Cede & Co., is no longer in the best interest of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the registered owners of such determination or such notice, and the Bond Registrar shall register in the name of and authenticate and deliver replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption (“Replacement Bonds”). If issued in certificated form, the certificates representing the Bonds shall be numbered in such manner as the Bond Registrar shall determine.

All references to DTC herein shall relate to the period of time when DTC has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by DTC shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If DTC resigns and the City, the Bond Registrar or the Owners are unable to locate a qualified successor of the securities depository, then the Bond Registrar shall authenticate and cause delivery of

Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from DTC and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the City.

In the event DTC resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a successor securities depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor securities depository to discharge its responsibilities. Any such successor securities depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of the Bonds to the successor securities depository in appropriate denominations and form as provided in this Resolution.

**SECTION 6. Execution and Authentication.** The Bonds shall be executed for and on behalf of the City by the manual or facsimile signature of its Mayor, attested by the manual or facsimile signature of its City Clerk, and shall have affixed or imprinted thereon a facsimile of the City's official seal. The Bonds shall be registered in the Office of the City Clerk, which registration shall be evidenced by the manual or facsimile signature of the City Clerk on a Certificate of Registration which shall be printed on the reverse of the bonds, attested by a facsimile of the City's official seal imprinted opposite said signature. The Bonds shall be registered by the State Treasurer in the municipal bond register in his or her office, which registration shall be evidenced by his or her manual or facsimile signature on a Certificate of State Treasurer which shall be printed on the reverse of the Bonds, and which shall be attested by a facsimile of his or her official seal imprinted opposite his or her signature. In case any officer of the City or of the State whose signature shall appear on the Bonds shall cease to be such officer before the actual delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such delivery.

No bond shall be valid or obligatory for any purpose unless and until the Certificate of Authentication thereon shall have been duly executed by the Bond Registrar, and such duly executed Certificate on any Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. The Bond Registrar's Certificate of Authentication on any Bond shall be deemed to have been duly executed by it when manually signed by an authorized officer or signatory thereof; and it shall not be necessary that the same officer or signatory of the Bond Registrar manually sign such Certificate on all Bonds issued under this Resolution.

**SECTION 7. Non-Presentation of Bonds.** If any Bond is not presented for payment when the principal thereof becomes due at maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the City to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any

claim of whatever nature on his part under this Bond Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at maturity, the Paying Agent shall repay to the City the funds therefore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

SECTION 8. Payment of Costs. The City shall pay out of the proceeds of the Bonds all costs incurred in connection with the issuance, transfer, exchange, registration, redemption and payment of the bonds except (a) the reasonable fees and expenses of replacing a Bond or Bonds which have been mutilated, stolen, lost or destroyed, or (b) any tax or other governmental charge imposed in relation to the transfer, exchange, registration, redemption or payment of the Bonds.

SECTION 9. Form of Bonds. The Bonds issued under this Resolution shall be evidenced by printed certificates in the form required by the laws of the State of Kansas, and shall contain recitals as required by the Constitution and Laws of the State of Kansas, including a recital that the Bonds are issued in the manner prescribed by the Bond Act, and pursuant to the authority of the Refunding Act, for the purpose of refunding the Refunded Bonds and paying the costs of issuing the Bonds.

The governing body hereby authorizes, orders and directs Triplett Woolf Garretson, LLC, the City's Bond Counsel, to prepare the form and text of the certificates for the Bonds, and to cause the same to be printed as the definitive bond certificates for the Bonds.

SECTION 10. Creation and Ratification of Accounts. Simultaneously with the issuance and delivery of the Bonds, there shall be created within the Treasury of the City, the following accounts for the Bonds:

General Obligation Refunding Bonds, Series 2020 Principal and Interest Account (the "Series 2020 Principal and Interest Account"); and

General Obligation Refunding Bonds, Series 2020 Costs of Issuance Account (the "Costs of Issuance Account"); and

General Obligation Refunding Bonds, Series 2020 Redemption Fund (the "Redemption Fund").

The Series 2020 Principal and Interest Account shall be administered and maintained for the purpose of depositing moneys from the issuance, sale and delivery of the Bonds which represent accrued interest and premium, if any, and for the subsequent payment and retirement of the Bonds, whether upon an Interest Payment Date, Principal Payment Date or upon the redemption thereof prior to maturity, and for no other purpose. The Series 2020 Principal and Interest Account may be created as a subaccount of the City's Bond and Interest Fund.

The Costs of Issuance Account shall be administered and maintained for the purpose of depositing moneys received in connection with the issuance, sale and delivery of the Bonds for the purpose of paying the costs of issuance associated with the issuance of the Bonds. Upon full and final disposition of moneys in the Costs of Issuance Account, the Account shall be terminated. Any amounts remaining in the Costs of Issuance Account on the date which is 30 days prior to the first principal payment date of the Bonds shall be transferred to the Series 2020 Principal and Interest Account, and shall be used towards payment of the principal next becoming due on the Bonds.

The Redemption Fund shall constitute the defeasance escrow for the Refunded Bonds. Moneys paid and credited to the Redemption Fund shall be transferred to the State Treasurer to be used and expended solely and only for the purpose of paying the principal of and interest on the Refunded Bonds, and the fees of the Fiscal Agent for acting as such, if any, as and when the same shall become due and payable, upon the redemption and payment of the Refunded Bonds on or prior to maturity on August 1, 2020, and for no other purpose, all in accordance with the terms and at the times required by this Resolution, the Bond Ordinance and the terms of the Refunded Bonds. Any moneys remaining in the Redemption Fund after the payment of all of the principal of and interest on the Refunded Bonds shall thereafter be transferred to the Series 2020 Principal and Interest Account to be used to pay the applicable portion of the principal due on the Bonds on their first Principal Payment Date.

SECTION 11. Sale and Delivery of Bonds; Disposition of Proceeds. The Mayor and City Clerk are authorized and directed to prepare and execute the Bonds in the form and manner specified in this resolution, including a reasonable inventory quantity of bond certificates for transfer, exchange and replacement in accordance with the provisions hereof; and when executed the Bonds shall be registered in the Office of the City Clerk and in the Office of the State Treasurer, as required by law and as hereinbefore provided. The Bonds having been sold as provided by law, they shall be delivered to [ORIGINAL PURCHASER], [Original Purchaser City And State], through the clearing facilities of DTC, upon receipt by the City of the full purchase price therefor, being par [less an underwriter's discount of \$\_\_\_\_\_], premium, if any, and accrued interest from the Dated Date to the date of issuance and delivery.

The proceeds from the sale of the Bonds shall be deposited into the Treasury of the City for the credit of and shall be applied, together with other monies of the City, as follows:

(A) The amount of the proceeds representing accrued interest on the Bonds, if any, [and the amount of the proceeds representing premium paid on the Bonds, if any,] shall be credited to and deposited in the Series 2020 Principal and Interest Account; and any said accrued interest will be used toward the payment of the first maturing interest on the Bonds[, and any said premium will be used toward the payment of the first maturing principal on the Bonds]; and

(B) \$\_\_\_\_\_ of the proceeds shall be deposited in to the Costs of Issuance Account to pay the costs of issuing the Bonds.

(C) \$\_\_\_\_\_ of the proceeds, together with \$90,595.00 of funds of the Issuer, shall be immediately credited to and deposited in the Redemption Fund for refunding, redeeming, and paying of the Refunded Bonds on August 1, 2020.

SECTION 12. Resolution Constitutes Contract; Remedies of Owners. The provisions of this Resolution, and all of its covenants and agreements, shall constitute a contract between the City and the Owners, and the Owners of not less than ten percent (10%) of the Bonds at the time Outstanding shall have the right, for the equal benefit and protection of all Owners similarly situated:

(A) By mandamus or other suit, action or proceeding at law or in equity to enforce his or their rights against the City and its officers, agents and employees, and to require and compel the City and its officers, agents and employees to perform all duties and obligations required by the provisions of this Resolution or by the Constitution and laws of the State of Kansas;

(B) By suit, action or other proceeding in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and

(C) By suit, action or other proceeding in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners.

SECTION 13. Limitation on Actions by Owners; Remedies Cumulative; Delay or Omission Not Waiver. No one or more of the Owners secured hereby shall have any right in any manner whatsoever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all of the Owners. Nothing in this Resolution or in the Bonds shall affect or impair the obligations of the City to pay at the date of maturity thereof or on any prepayment date established therefor, the principal of and the interest on the Bonds to the respective Owners thereof or affect or impair the right of action of any Owners to enforce payment of the Bonds held by them, or to reduce to judgment their claim against the City for the payment of the principal amount of and the interest on the Bonds without reference to or consent of any other Owners. No remedy herein conferred upon the Owners is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute, and may be exercised without regard to any other remedy however given. No delay or omission of any Owners to exercise any right or power accruing upon any default occurring and continuing as aforesaid shall impair any such default or be construed as an acquiescence therein, and every right, power and remedy given by this Resolution to the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient. In case any proceeding taken by any Owners on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Owners, then in every such case the City and the Owners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as though no such proceedings had been taken.

SECTION 14. Amendments. The City may, without the consent of the Owners, amend or supplement the provisions of this Resolution (i) to cure any ambiguity herein or to correct or supplement any provision herein which may be inconsistent with any other provision herein or to correct errors, provided such action shall not materially adversely affect the interest of the Owners, or (ii) to grant or confer upon the Owners any additional rights, remedies, powers or security, or (iii) to more precisely identify the Project, or (iv) to conform this Resolution to the Code (as hereinafter defined) or future applicable Federal laws concerning tax-exempt obligations. The rights and duties of the City and the Owners and the terms and provisions of this Resolution may be modified or altered in any respect by an ordinance of the City with the consent of the Owners of not less than seventy-five percent (75%) in principal amount of the bonds then outstanding, such consent to be evidenced by an instrument or instruments executed by the Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk; provided that, the following modifications or alternations shall require the written consent of one hundred percent (100%) of the Owners of the then outstanding Bonds:

- (A) Extending the maturity of any payment of principal or interest due upon the Bonds, or
- (B) Effecting a reduction in the amount which the City is required to pay by way of principal or interest on the Bonds, or
- (C) Permitting a preference or priority of any Bond or Bonds over any other Bond or Bonds, or
- (D) Reducing the percentage of the principal amount of the then outstanding Bonds for which the written consent of the Owners is required for any modification or alteration of the provisions of this Resolution.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the City Clerk a copy of the ordinance of the City authorizing said modifications, as hereinabove provided for, duly certified and published, as well as proof of consent to such modification by the Owners of not less than the percentage of the principal amount of the bonds then outstanding as hereinabove required therefor. It shall not be necessary to note on any of the outstanding Bonds any reference to such amendment or modification.

SECTION 15. Defeasance. When the principal of and the interest on the Bonds shall have been paid and discharged, then the requirements contained herein and all other rights granted by this Resolution shall cease and terminate. The Bonds shall be deemed to have been paid and discharged within the meaning of this Resolution if there shall have been deposited with the Paying Agent or with a bank located in the State of Kansas and having full trust powers, at or prior to the maturity or date of redemption, as the case may be, of the Bonds, in trust for and irrevocably appropriated thereto, moneys and/or Government Securities consisting of direct obligations of, or obligations payment of the principal of and interest on which are guaranteed by, the United States

of America, which together with the interest to be earned on such Government Securities, will be sufficient for the payment of the principal amount of and the interest on the Bonds, to the date of maturity or redemption, as the case may be, or if default in such payment shall have accrued on such date, then to the date of the tender of such payments; provided that, if such payment and discharge is to be made on a redemption date that notice of such redemption has been duly and properly given as provided by this Resolution and that all of the other terms and provisions of this Resolution relative to the call for and the redemption and payment of the Bonds shall have been satisfied. Any moneys which at any time shall be deposited with the Paying Agent or such Kansas bank by or on behalf of the City, for the purpose of paying and discharging any of the Bonds or interest thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or such Kansas bank in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys so deposited with the Paying Agent or such Kansas bank shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Resolution.

SECTION 16. Surrender and Cancellation of Bonds. Whenever any outstanding Bond shall be delivered to the Bond Registrar after payment of the principal amount of and the interest represented thereof or for replacement pursuant to this Resolution, such Bond shall be canceled and destroyed by the Bond Registrar and counterparts of a Certificate of Destruction describing such Bonds so destroyed and evidencing such destruction shall be furnished by the Bond Registrar to the City.

SECTION 17. Tax Covenants. The governing body of the City covenants and agrees that so long as any of the Bonds remain outstanding and unpaid, no use will be made of the proceeds thereof which, if such use had been reasonably expected on the date of issuance and delivery, would have caused the Bonds to be “arbitrage bonds” within the meaning of Section 103(b)(2) of the Internal Revenue Code of 1986, as amended (the “Code”); and that it will comply with all applicable requirements of Section 148 of the Code and the Rules and Regulations of the United States Treasury Department thereunder for so long as any of the Bonds remain outstanding and unpaid. The governing body further covenants to take all such action in its power as may be required from time to time in order to assure the continued tax-exempt status of the interest on the Bonds, and to comply with all provisions of the Code, as the same be amended, and any applicable Rules and Regulations of the United States Treasury Department thereunder.

SECTION 18. Designation as Qualified Tax-Exempt Obligations. The governing body of the City has designated the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code in the Bond Ordinance.

SECTION 19. Other Documents. The Mayor and City Clerk are hereby empowered, authorized and directed to prepare and execute any and all supporting documents and certificates required in the issuance of the Bonds, including any applicable notice of redemption of the Refunded Bonds, a Bond Purchase Agreement, if supplied and including final certificates required to be included in the official Transcript of Proceedings relating to the authorization and issuance of the Bonds, and the refunding of the Refunded Bonds all without further action by the governing body.

SECTION 20. Further Authority. The City shall, and the officers, agents and employees thereof, are authorized and directed to, take such actions, expend such moneys and execute such other documents, certificates and instruments as may be necessary or desirable in order to carry out and comply with the provisions of this Resolution and to give effect to the transactions contemplated hereby, including but not limited to, providing any necessary notice of the City's intent to redeem the City of Hesston, Kansas, General Obligation Bonds, Series 2009 dated November 15, 2009 on August 1, 2020, or as soon thereafter as practicable.

SECTION 21. Severability. If any provision of this Resolution shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatsoever.

SECTION 22. Effective Date. This Resolution shall be in force and take effect from and after its adoption and approval.

*[Remainder of Page Intentionally Left Blank]*



ADOPTED AND APPROVED by the governing body of the City of Hesston, Kansas on the 13th day of April, 2020.

CITY OF HESSTON, KANSAS

[seal]

By \_\_\_\_\_  
David K. Kauffman, Mayor

ATTEST:

By \_\_\_\_\_  
Jason Thrasher, City Clerk

22-Jan-20

Table 11  
City of Hesston, Kansas  
Refunding General Obligation Bonds, Series 2020  
Refunding PBC Revenue Bonds, Series 2020  
Time Table of Events

<u>Activity</u>	<u>GO Date</u>	<u>PBC Date</u>
<b>City Council reviews Plans of Finance</b>	<b>10-Feb-20</b>	<b>10-Feb-20</b>
Ranson initiates Preliminary Official Statement (POS)	15-Feb-20	14-Mar-20
Draft Documents due to the City	4-Mar-20	4-Mar-20
<b>City Council approves resolution calling for a Bond Sale</b>	<b>9-Mar-20</b>	<b>9-Mar-20</b>
Ranson distributes draft POS	16-Mar-20	13-Apr-20
Comments due to Ranson on POS	23-Mar-20	20-Apr-20
Ranson distributes POS to potential Bidders for the Bonds	30-Mar-20	27-Apr-20
Draft Documents due to the City	8-Apr-20	6-May-20
<b>City Council reviews bids for Bonds</b>	<b>13-Apr-20</b>	<b>11-May-20</b>
Bond Closing	5-May-20	3-Jun-20



## Agenda Item Summary

**Meeting date:** April 13, 2020

**Subject:** Ordinance No. 010-2020-217 Authorizes Lease/Purchase Agreement – Mowers Purchase

**Recommendation:** Consider the lease/purchase

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### Background Information:

**Briefed by:** City Administrator Gary Emry

**Summary:** On 3/9 the Council tentatively approved a 36-month lease with Kansas Golf and Turf (KGT) for 2 Hustler Super 104 Mowers – pending approval of the lease agreement by the City Attorney. The monthly payment on the lease was \$1,192 per month.

The City Attorney review of the KGT lease agreement revealed multiple issues and it is not advised that the lease agreement be used.

Staff contacted Citizens State Bank to provide a bid on a 36-month tax-exempt lease/purchase agreement. Citizens provided a bid of 2.99% with a monthly payment of \$1,332.00. The agreement is attached. Adoption of Ordinance No. 010-2020-217 would authorize the execution of the lease/purchase agreement.

**Financial Impact:** \$1,332.00 per month from Golf Course Budget

### Attachments:

Ordinance No. 010-2020-217  
Lease / Purchase Agreement  
Marked copy of KGT lease

(Published in *The Hesston Record* on April 23, 2020)

ORDINANCE NO. 010-2020-217

AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF HESSTON, KANSAS, AUTHORIZING THE PURCHASE OF CERTAIN MOWERS, AUTHORIZING AND PROVIDING FOR THE EXECUTION OF A LEASE PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF HESSTON, AS LESSEE, AND THE CITIZENS STATE BANK, AS LESSOR, FOR THE PURPOSE OF PROVIDING THE NECESSARY FUNDS TO PAY THE COSTS OF SAID EQUIPMENT; AND PROVIDING FOR THE EXECUTION OF ALL ANCILLARY DOCUMENTS IN CONNECTION WITH SUCH FINANCING AND MAKING CERTAIN OTHER COVENANTS WITH RESPECT THERETO.

WHEREAS, under the Constitution and statutes of the State of Kansas, particularly K.S.A. 10-1116b and 10-1116c (the “Act”), the City of Hesston, Kansas (the “City”) is empowered to enter into leases and lease-purchase agreements for the lease of real and personal property upon such terms and conditions as deemed necessary by the governing body of the City; and

WHEREAS, the governing body of the City finds it necessary and desirable to acquire new mowers for the City’s public golf course (the “Equipment”) to further its governmental and public purposes, but does not have sufficient moneys on hand to purchase the Equipment; and

WHEREAS, in order to provide for the financing of the acquisition of the Equipment, the governing body has determined and hereby determines that it is in the best interest of the City that the City and The Citizens State Bank, Hesston, Kansas (the “Lessor”) enter into a Lease Purchase Agreement (hereinafter defined) to provide for the financing of the Equipment and for the leasing by the City from the Lessor of the Equipment; and

WHEREAS, the Lease Purchase Agreement, does not involve the purchase or acquisition of land or buildings, and furthermore does not contain provisions for annual payments in excess of 3% of the total amount budgeted for expenditure by the City during the current year (excluding debt service); and

WHEREAS, the governing body hereby finds and determines that it is necessary to provide for the form, details and conditions of the financing and the documentation required to accomplish same, and to approve and authorize the execution of the Lease Purchase Agreement, and to make certain covenants and agreements in connection therewith.

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

SECTION 1. Authority to Acquire the Equipment. It is hereby found and determined to be necessary and desirable, and in the best interests of the City, to acquire the Equipment.

SECTION 2. Authority for and Execution of Lease Purchase Agreement. It is hereby found, determined and declared to be necessary, and it is hereby authorized, ordered and directed that the City lease the Equipment from the Lessor; and that in connection therewith, the Mayor and City Clerk shall execute on behalf of the City an Equipment Lease/Purchase Agreement (the “Lease Purchase Agreement”), between the City, as lessee, and Lessor, as lessor, for the purpose of providing for the lease of the Equipment; said Lease Purchase Agreement to be in substantially the form as it is presented today with such minor corrections or amendments thereto as the Mayor of the City shall approve, which approval shall be evidenced by his execution thereof.

SECTION 3. Rental Payments. The Rental Payments required by the Lease Purchase Agreement shall be made from funds budgeted and appropriated for that purpose during the City’s current budget year and other funds lawfully available to the City for such purpose, in accordance with the Lease Purchase Agreement, and as provided by law, and shall not be paid from any other moneys or sources (except to the extent paid from moneys attributable to proceeds from insurance policies, condemnation awards or awards resulting from defaults under certain circumstances).

SECTION 4. Non-Arbitrage Covenant. The City hereby covenants that so long as any of the Rental Payments remain outstanding and unpaid under the Lease Purchase Agreement, there will be no use made of the proceeds therefrom which, if such use had been reasonably expected on the date of execution and delivery, would have caused them to be “arbitrage bonds” within the meaning of Section 103(b)(2) of the Internal Revenue Code of 1986, as amended (the “Code”); and that it will comply with all applicable requirements of Section 148 of the Code and the Rules and Regulations of the United States Treasury Department thereunder for so long as any of the Rental Payments under the Lease Purchase Agreement remain outstanding and unpaid. The City hereby further covenants to take all such action in its power as may be required from time to time in order to assure the continued exclusion from gross income for the purpose of Federal income taxation of the interest component on the Rental Payments, and to comply with all provisions of the Code, as the same be amended, and any applicable Rules and Regulations of the United States Treasury Department thereunder.

SECTION 5. Designation as Qualified Tax-Exempt Obligation. The governing body of the City hereby designates the Lease Purchase Agreement a “qualified tax-exempt obligation” as defined in Section 265(b)(3) of the Code.

SECTION 6. Further Authority. The Mayor and City Clerk are hereby individually authorized, directed and empowered, acting jointly or singly, in the name of the City, to expend such funds and do or cause to be done all such further acts and things as they, acting jointly or singly, may deem necessary, advisable, convenient, or proper in connection with the execution and delivery of any such Lease Purchase Agreement and in connection with or incidental to the carrying of the same into effect, including without limitation the execution, acknowledgment, and delivery of such certificates of authority, incumbency certificates, acceptance certificates, receipts, bills of sale, and any and all certificates, instruments and documents which may be required by Lessor under or in connection with the Lease Purchase Agreement (including but not limited to the preparation and filing of Internal Revenue Service Form 8038-GC, or such other form or forms as may be required by the Internal Revenue Service in connection with the City’s issuance of tax-exempt obligations).

SECTION 7. Effective Date. This Ordinance shall be in force and take effect from and after its adoption and approval and publication once in the official newspaper of the City.

*[Remainder of Page Intentionally Left Blank]*

PASSED, ADOPTED AND APPROVED by a majority vote of the governing body of the City of Hesston, Kansas this 13th day of April, 2020.

CITY OF HESSTON, KANSAS

[seal]

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David K. Kauffman, Mayor

ATTEST:

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Jason Thrasher, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Hesston, Kansas met in regular session at the usual meeting place in the City on April 13, 2020 at 6:00 p.m., with the Mayor David K. Kauffman presiding, and the following members of the governing body present:

and the following members absent:

Thereupon, there was presented to the governing body an Ordinance entitled:

AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF HESSTON, KANSAS, AUTHORIZING THE PURCHASE OF CERTAIN MOWERS, AUTHORIZING AND PROVIDING FOR THE EXECUTION OF A LEASE PURCHASE AGREEMENT, BY AND BETWEEN THE CITY OF HESSTON, AS LESSEE, AND THE CITIZENS STATE BANK, AS LESSOR, FOR THE PURPOSE OF PROVIDING THE NECESSARY FUNDS TO PAY THE COSTS OF SAID EQUIPMENT; AND PROVIDING FOR THE EXECUTION OF ALL ANCILLARY DOCUMENTS IN CONNECTION WITH SUCH FINANCING AND MAKING CERTAIN OTHER COVENANTS WITH RESPECT THERETO.

Thereupon, the Ordinance was considered and discussed, and upon the motion of \_\_\_\_\_, seconded by \_\_\_\_\_, the Ordinance was adopted by a majority vote of the governing body, it was given No. 010-2020-\_\_\_\_ and was directed to be signed by the Mayor and attested by the City Clerk; and the City Clerk was directed to publish the Ordinance one time in the City's official newspaper as required by law and as provided therein.

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CITY CLERK'S  
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of Minutes of a April 13, 2020 meeting of the governing body of the City of Hesston, Kansas.

[seal]

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Jason Thrasher, City Clerk

## EQUIPMENT LEASE/PURCHASE AGREEMENT

This Equipment Lease/Purchase Agreement, dated as of May 1, 2020, and entered into between The Citizens State Bank, Hesston, Kansas (“Lessor”), and the City of Hesston, Kansas, a municipal corporation organized and existing under the laws of the State of Kansas (“Lessee”).

1. **Agreement.** Lessee agrees to lease from Lessor certain “Equipment” as described in Exhibit A, subject to the terms and conditions of and for the purposes set forth in this Agreement. This Agreement (which includes all exhibits hereto, together with any amendments and modifications pursuant thereto) is sometimes referred to herein as the “Lease”.

2. **Term.** The “Commencement Date” for the Lease is the date when interest commences to accrue under such Lease which date shall be the Funding Date referred to in Exhibit A-1. On said Commencement Date, Lessor shall deposit the total principal amount referred to in Exhibit A-1 (i.e., \$45,785.28) with Lessee, and Lessee shall act as purchasing agent of Lessor. The “Lease Term” for the Lease means the Original Term and all Renewal Terms therein provided. The “Original Term” means the period from the Commencement Date for the Lease until the end of Lessee’s fiscal year (the “Fiscal Period”) in effect at such Commencement Date. The “Renewal Term” for the Lease is each term thereafter having a duration that is coextensive with the Fiscal Period.

3. **Representations and Covenants of Lessee.** Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof and as of the Commencement Date of the Lease as follows: (a) Lessee is a municipal corporation duly organized and existing under the constitution and laws of the State of Kansas (the “State”) with full power and authority under the constitution and laws of the State to enter into this Lease and the transactions contemplated hereby and to perform all of its obligations hereunder; (b) Lessee has duly authorized the execution and delivery of this Lease by proper action of its governing body at a meeting duly called and held in accordance with State law, or by other appropriate official approval, and all requirements have been met and procedures have occurred to ensure the validity and enforceability of this Lease; (c) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a municipal corporation; (d) Lessee has complied with such public bidding requirements as may be applicable to this Lease and the acquisition by Lessee of the Equipment as provided in this Lease; (e) during the Lease Term, the Equipment will be used by Lessee solely and exclusively for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee’s authority; (f) Lessee will annually provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing Fiscal Period, and such other financial information relating to the ability of Lessee to continue the Lease as may be requested by Lessor; and (g) Lessee has an immediate need for the Equipment listed on Exhibit A and expects to make immediate use of the Equipment.

4. **Tax and Arbitrage Representations.** Lessee hereby represents as follows: (a) the estimated total costs of the Equipment listed in the Exhibit A will not be less than the total principal portion of the Rental Payments listed in the Rental Payment Schedule (Exhibit A-1); (b) the Equipment listed has been ordered or is expected to be ordered within 6 months of the Commencement Date, and all amounts deposited with Lessee to pay for the Equipment, and

interest earnings, will be expended on costs of the Equipment and the financing within 3 years of Commencement Date; (c) no proceeds of the Lease will be used to reimburse Lessee for expenditures made more than 60 days prior to the Commencement Date or, if earlier, more than 60 days prior to any official action taken to evidence an intent to finance; (d) Lessee has not created or established, and does not expect to create or establish, any sinking fund or similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments; (e) the Equipment has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in part, prior to the last maturity of Rental Payments; (f) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (“Code”), including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation; and (g) Lessee intends that this Lease not constitute a “true” lease for federal income tax purposes.

5. **Lease of Equipment.** Lessor demises, leases, transfers, and lets to Lessee, and Lessee acquires, rents, leases and hires from Lessor, the Equipment in accordance with the terms hereof. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term set forth herein. At the end of the Original Term and at the end of each Renewal Term the Lease Term shall be automatically extended upon the successive appropriation by Lessee’s governing body of amounts sufficient to pay Rental Payments and other amounts payable under the Lease during the next succeeding Fiscal Period until all Rental Payments payable under such Lease have been paid in full, unless Lessee shall have terminated such Lease pursuant to Section 7 or Section 20. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Lease.

6. **Continuation of Lease Term.** Lessee currently intends, subject to Section 7, to continue the Lease Term through the Original Term and all Renewal Terms and to pay the Rental Payments thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the maximum Lease Term can be obtained. Lessee currently intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds or to extend the Lease for any Renewal Term is within the discretion of the governing body of Lessee.

7. **Non-Appropriation.** Lessee is obligated only to pay such Rental Payments as may lawfully be made from funds budgeted and appropriated for that purpose. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments following the then current Original Term or Renewal Term, such Lease shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 30 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice shall not extend the term beyond such Original Term or Renewal

Term. If the Lease is terminated in accordance with this Section, Lessee agrees to peaceably deliver the Equipment to Lessor at the location(s) to be specified by Lessor.

8. **Rental Payments.** Lessee shall promptly pay “Rental Payments” as described in Exhibit A-1, exclusively from legally available funds, to Lessor on the dates and in such amounts as provided in each Lease. Rental Payments consist of principal and interest portions. *Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.*

9. **RENTAL PAYMENTS TO BE UNCONDITIONAL.** EXCEPT AS PROVIDED IN SECTION 7, THE OBLIGATIONS OF LESSEE TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION ANY FAILURE OF THE EQUIPMENT TO BE DELIVERED OR INSTALLED, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE EQUIPMENT OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES.

10. **Delivery; Installation; Acceptance.** Lessee shall order the Equipment, cause the Equipment to be delivered and installed, if necessary, at the location specified, if so specified, and pay any and all delivery and installation costs in connection therewith. Lessor shall provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term.

11. **Use; Maintenance.** Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated hereby. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body. Lessee agrees that it will, at Lessee’s own cost and expense, maintain, preserve and keep the Equipment in good repair and working order.

12. **Title.** Upon acceptance of the Equipment by Lessee, title to the Equipment shall vest in Lessee subject to Lessor’s rights under the Lease; provided that title shall thereafter immediately and without any action by Lessee vest in Lessor, and Lessee shall immediately surrender possession of the Equipment to Lessor, upon (a) any termination of the Lease other than termination pursuant to Section 20 or (b) the occurrence of an Event of Default. Transfer of title to Lessor pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer.

13. **Security Interest.** To secure the payment of all of Lessee’s obligations, upon the execution of such Lease, Lessee grants to Lessor a security interest constituting a first and

exclusive lien on the Equipment and on all proceeds therefrom. Lessee agrees to execute such additional documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest in the Equipment. The Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated. The Lessee shall cause all appropriate financing statements and other security instruments to be recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the Lessor hereunder. Thereafter, the Lessor shall cause all appropriate continuation statements to be filed or recorded.

14. **Liens, Taxes, Other Governmental Charges and Utility Charges.** Lessee shall keep the Equipment free of all levies, liens and encumbrances except those created by the Lease. The parties to this Agreement contemplate that the Equipment will be used for governmental or proprietary purposes of Lessee and that the Equipment will therefore be exempt from all property taxes. If the use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee shall pay such taxes or charges as the same may become due.

15. **Insurance.** At its own expense, Lessee shall during the Lease Term maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor, in an amount at least equal to the then applicable "Purchase Price" of the Equipment as described in Exhibit A-1; (b) liability insurance that protects Lessee from liability in form and amount customary and comparable to coverage on similar equipment owned by the Lessee; and (c) workers' compensation coverage as required by the laws of the State; provided that, Lessee may self-insure against the risks described in clauses (a) and (b). Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout each Lease Term, if so requested by Lessor. Lessee shall not materially modify or cancel such insurance or self-insurance coverage without first giving written notice thereof to Lessor in advance of such cancellation or modification.

16. **Advances.** In the event Lessee shall fail to keep the Equipment in good repair and working order, Lessor may, but shall be under no obligation to, maintain and repair the Equipment and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term and Lessee agrees to pay such amounts so advanced by Lessor.

17. **Damage, Destruction and Condemnation.** If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessee and Lessor will cause the Net Proceeds to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment to substantially the same condition as existed prior to the event causing such damage, destruction, or condemnation, unless Lessee shall have exercised its option to purchase the

Equipment pursuant to Section 20. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

For purposes of this Section, the term “Net Proceeds” shall mean (y) the amount of insurance proceeds received by Lessee for replacing, repairing, restoring, modifying, or improving damaged or destroyed Equipment, or (z) the amount remaining from the gross proceeds of any condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys’ fees, incurred in the collection thereof. If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement referred to herein, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pursuant to Section 20 purchase Lessor’s interest in the Equipment. The amount of the Net Proceeds, if any, remaining after completing such replacement, repair, restoration, modification or improvement or after purchasing Lessor’s interest in the Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Section 8.

18. **DISCLAIMER OF WARRANTIES.** LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO WHETHER EXPRESS OR IMPLIED, AND LESSEE ACCEPTS SUCH EQUIPMENT AS IS AND WITH ALL FAULTS. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THE LEASE OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE’S USE OF ANY ITEM, PRODUCT OR SERVICE PROVIDED FOR IN THE LEASE.

19. **Vendor’s Warranties.** Lessor hereby irrevocably appoints Lessee as its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default under the Lease, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against Vendor. The term “Vendor” means any supplier or manufacturer of the Equipment as well as the agents or dealers of the manufacturer or supplier from whom Lessor purchased or is purchasing such Equipment. Lessee’s sole remedy for the breach of such warranty, indemnification or representation shall be against Vendor of the Equipment, and not against Lessor. Any such matter shall not have any effect whatsoever on the rights or obligations of Lessor with respect to the Lease, including the right to receive full and timely payments under the Lease. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties by Vendor of the Equipment.

20. **Purchase Option.** Lessee shall have the option to purchase Lessor’s interest in all of the Equipment, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms: (a) on the Rental Payment dates specified in the Lease, upon payment in full of the Rental Payments then due under such Lease plus the then

applicable Purchase Price as referenced in Exhibit A-1; or (b) in the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in the Lease, on the day specified in Lessee's notice to Lessor of its exercise of the purchase option upon payment in full to Lessor of the Rental Payments then due under such Lease plus the then applicable Purchase Price plus accrued interest from the immediately preceding Rental Payment date to such purchase date.

21. **Assignment.** Lessor's right, title and interest in and to the Lease, including Rental Payments and any other amounts payable by Lessee hereunder and all proceeds herefrom, may be assigned and reassigned to one or more assignees or subassignees by Lessor with the prior consent of Lessee (which shall not be unreasonably withheld); provided that any such assignment shall not be effective until (a) Lessee has received written notice, signed by the assignor, of the name and address of the assignee, and (b) it is registered on the registration books. Lessee shall retain all such notices as a register of all assignees in compliance with Section 149(a) of the Code, and shall make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents that may be reasonably requested by Lessor or any assignee to protect its interests and property assigned pursuant to this Section. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against Vendor. Assignments may include without limitation assignment of all of Lessor's security interest in and to the Equipment listed in the Lease and all rights in, to and under the Lease related to such Equipment. Lessee hereby agrees that Lessor may, subject to compliance with this Section, sell, dispose of, or assign this Lease through a pool, trust, limited partnership, or other similar entity, whereby one or more interests are created in this Lease, or in the Equipment listed in or the Rental Payments under the Lease.

None of Lessee's right, title and interest in, to and under the Lease or any portion of the Equipment listed in each Lease may be assigned, subleased, or encumbered by Lessee for any reason without obtaining prior written consent of Lessor.

22. **Events of Default.** Any of the following events shall constitute an "Event of Default" under a Lease: (a) failure by Lessee to pay any Rental Payment or other payment required to be paid under the Lease at the time specified therein; (b) failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor; (c) any statement, representation or warranty made by Lessee shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made; or (d) Lessee institutes any proceedings under any bankruptcy, insolvency, reorganization or similar law or a receiver or similar official is appointed for Lessee or any of its property.

23. **Remedies on Default.** Whenever any Event of Default exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps: (a) by written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee pursuant to the Lease and other amounts payable by Lessee under the Lease to the end of the then current Original Term or Renewal Term to be immediately due and payable; (b) with or without terminating the Lease Term under the Lease, Lessor may enter the

premises where the Equipment listed in the Lease is located and retake possession of such Equipment and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable for the difference between (i) the Rental Payments payable by Lessee pursuant to such Lease and other amounts related to such Lease of the Equipment listed therein that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under such Lease, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 7 hereof. The exercise of any such remedies in respect of any such Event of Default shall not relieve Lessee of any other liabilities under any other Lease or the Equipment listed therein; and (c) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under the Lease or as a secured party in any or all of the Equipment. Any net proceeds from the exercise of any remedy under a Lease (after deducting all costs and expenses referenced in the Section) shall be applied to amounts due pursuant to such Lease and other amounts related to such Lease or such Equipment.

24. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given now or hereafter existing at law or in equity.

25. **Notices.** All notices or other communications under any Lease shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties hereto at the addresses listed below (or at such other address as either party hereto shall designate in writing to the other for notices to such party), or to any assignee at its address as it appears on the registration books maintained by Lessee.

26. **Miscellaneous Provisions.** The Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. References herein to "Lessor" shall be deemed to include each of its assignees and subsequent assignees from and after the effective date of each assignment as permitted by Section 21. In the event any provision of any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof. The Lease may be amended by mutual written consent of Lessor and Lessee. The Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease. This Lease shall be governed by and construed in accordance with the laws of the State.

27. **Kansas Statutory Requirements.**

(A) The amount or capital cost required to purchase the Equipment if paid for by cash is \$45,785.28.

(B) The stated nominal rate is 2.99% or an annual average effective interest cost is \$714.53 or 3.031%.



(C) The amount included in the payments for service, maintenance, insurance or other charges exclusive of the capital cost and interest cost is \$-0-.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

CITY OF HESSTON, KANSAS

By \_\_\_\_\_  
David K. Kauffman, Mayor

“LESSEE”

THE CITIZENS STATE BANK  
Hesston, Kansas

By \_\_\_\_\_  
Richard Drake, Hesston - Market President

“LESSOR”

**EXHIBIT A**  
**TO**  
**EQUIPMENT LEASE/PURCHASE AGREEMENT**

**Equipment**

1. Hustler Mower, Super 104-Model #939462, Vanguard Big Block 36 HP 104" Rear Discharge Deck
2. Hustler Mower, Super 104-Model #939462, Vanguard Big Block 36 HP 104" Rear Discharge Deck

**EXHIBIT A-1  
TO  
EQUIPMENT LEASE/PURCHASE AGREEMENT**

**Rental Payment Schedule and Purchase Option Price**

<b>City of Hesston, Kansas Amortization Schedule</b>					
Totals:					
<b>Payment #</b>	<b>Payment Date</b>	<b>Payment Amount</b>	<b>Principal</b>	<b>Interest</b>	<b>Optional Purchase Price (Outstanding Balance)</b>
Funding Date	05/01/2020				\$45,785.28
1	06/01/2020	\$1,332.00	\$1,215.73	\$116.27	\$44,569.55
2	07/01/2020	\$1,332.00	\$1,222.47	\$109.53	\$43,347.08
3	08/01/2020	\$1,332.00	\$1,221.92	\$110.08	\$42,125.16
4	09/01/2020	\$1,332.00	\$1,225.03	\$106.97	\$40,900.13
5	10/01/2020	\$1,332.00	\$1,231.49	\$100.51	\$39,668.65
6	11/01/2020	\$1,332.00	\$1,231.26	\$100.74	\$38,437.38
7	12/01/2020	\$1,332.00	\$1,237.54	\$94.46	\$37,199.84
8	01/01/2021	\$1,332.00	\$1,237.53	\$94.47	\$35,962.31
9	02/01/2021	\$1,332.00	\$1,240.68	\$91.32	\$34,721.64
10	03/01/2021	\$1,332.00	\$1,252.36	\$79.64	\$33,469.28
11	04/01/2021	\$1,332.00	\$1,247.01	\$84.99	\$32,222.27
12	05/01/2021	\$1,332.00	\$1,252.81	\$79.19	\$30,969.46
13	06/01/2021	\$1,332.00	\$1,253.35	\$78.65	\$29,716.10
14	07/01/2021	\$1,332.00	\$1,258.97	\$73.03	\$28,457.13
15	08/01/2021	\$1,332.00	\$1,259.73	\$72.27	\$27,197.40
16	09/01/2021	\$1,332.00	\$1,262.93	\$69.07	\$25,934.46
17	10/01/2021	\$1,332.00	\$1,268.27	\$63.73	\$24,666.20
18	11/01/2021	\$1,332.00	\$1,269.36	\$62.64	\$23,396.84
19	12/01/2021	\$1,332.00	\$1,274.50	\$57.50	\$22,122.34
20	01/01/2022	\$1,332.00	\$1,275.82	\$56.18	\$20,846.51
21	02/01/2022	\$1,332.00	\$1,279.06	\$52.94	\$19,567.45
22	03/01/2022	\$1,332.00	\$1,287.12	\$44.88	\$18,280.34
23	04/01/2022	\$1,332.00	\$1,285.58	\$46.42	\$16,994.76
24	05/01/2022	\$1,332.00	\$1,290.23	\$41.77	\$15,704.52
25	06/01/2022	\$1,332.00	\$1,292.12	\$39.88	\$14,412.40
26	07/01/2022	\$1,332.00	\$1,296.58	\$35.42	\$13,115.82
27	08/01/2022	\$1,332.00	\$1,298.69	\$33.31	\$11,817.13
28	09/01/2022	\$1,332.00	\$1,301.99	\$30.01	\$10,515.14
29	10/01/2022	\$1,332.00	\$1,306.16	\$25.84	\$9,208.98

30	11/01/2022	\$1,332.00	\$1,308.61	\$23.39	\$7,900.37
31	12/01/2022	\$1,332.00	\$1,312.58	\$19.42	\$6,587.78
32	01/01/2023	\$1,332.00	\$1,315.27	\$16.73	\$5,272.51
33	02/01/2023	\$1,332.00	\$1,318.61	\$13.39	\$3,953.90
34	03/01/2023	\$1,332.00	\$1,322.93	\$9.07	\$2,630.97
35	04/01/2023	\$1,332.00	\$1,325.32	\$6.68	\$1,305.65
36	05/01/2023	\$1,308.86	\$1,305.65	\$3.21	\$0.00
37	06/01/2023	\$0.00	\$0.00	\$0.00	\$0.00
		\$47,928.86		\$2,143.60	



The "Master Lease": Master Lease Number Dated	
"Lessee"	
Fax:	E-mail:
"Lessor"	
VGM Financial Services, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926	
Fax: 319-833-4577	E-mail: customerservice@financediv.com

Master Lease Terms and Conditions

1. LEASE. Lessee hereby agrees to lease from Lessor and, subject to satisfaction of all Lessor's requirements and no material adverse change in Lessee's condition or business, Lessor agrees to lease to Lessee the personal property, services and/or software described in one or more Schedules (each a "Schedule") to this Master Lease signed by Lessor and Lessee from time to time on the terms and conditions set forth herein and in the related Schedule (such property and services, together with all replacements, repairs, and additions thereto, collectively the "Equipment"; and each item, an "Item"). Lessee authorizes Lessor to add to the Schedule, or make necessary corrections to, serial numbers or other identification of the Equipment when known. Each Schedule incorporates the terms of this Master Lease, is considered a separate lease and shall be referred to herein as "this Lease". Capitalized terms have the meanings given to them in the Schedule or herein. If the terms of a Schedule conflict with the terms of this Master Lease, the terms of the Schedule shall control.

2. TERM. The term of this Lease with respect to each Item begins on the date Lessee accepts such Item and continues for the number of consecutive months from the Commencement Date shown in the applicable Schedule (the "Initial Term") unless earlier canceled, terminated or extended as provided herein or in the Schedule. Lessee shall promptly inspect the Equipment upon delivery and, if acceptable in all respects, execute and deliver a certificate of acceptance, in form acceptable to Lessor. Lessee authorizes Lessor to fill in the Commencement Date in the Schedule, which will be a date designated by Lessor based on the date that the final Item thereunder is delivered to and accepted by Lessee. The term of this Lease may be extended as provided in the applicable Schedule.

3. PAYMENTS. Lessee shall pay to Lessor: (a) any Advance Rent Payment(s) and Security Deposit set forth in the Schedule, on the date Lessee signs the Schedule; (b) the periodic Rent Payment set forth in the Schedule payable as set forth in the Schedule for the Initial Term and any renewal term; (c) interim rent for each Item from the date accepted to the Commencement Date, at the daily rate equal to the Interim Rent Daily Factor set forth in the Schedule multiplied by the portion of the total cost of the Equipment paid by Lessor (including all amounts Lessor pays in connection with the purchase, delivery and installation of the Equipment, including any trade-up and buy out amounts, and any other amounts financed, before application of any subsidies or like amounts, the "Final Cost") applicable to such Item payable with respect to each calendar month by the 10th day of the following month and in any event on the Commencement Date. If, for any reason, the Final Cost is more or less than the estimated cost of the Equipment, each Rent Payment and the mandatory or optional fixed purchase price, if any, will be adjusted to provide Lessor the same yield it would have obtained if such Final Cost had been equal to such estimated cost of the Equipment. Lessee agrees that the Schedule will be amended to reflect the adjusted Rent Payment and purchase price, if applicable, by (i) written notice from Lessor to Lessee for adjustments of 10% or less; or (ii) signed Amendment. The Rent Payment for each Schedule has been indexed to the Swap Rate. "Swap Rate" means, as of the applicable date, the "ICE Swap Rate - USD Rates 1100" as published by Intercontinental Exchange, Inc. on its website, www.theice.com, for a similar term to the Initial Term (or, if no rate is quoted for a particular maturity, a rate will be interpolated by Lessor based on similar maturities), for the date that is three (3) business days prior to the applicable date (or, if no rate is quoted for such date, the next business day for which such rate is quoted); or, if such index is no longer available or so published, the rate determined by Lessor under a similar successor index chosen by Lessor in its sole discretion. If such Swap Rate as of the date that the final item of Equipment under a Schedule is accepted is more than the Swap Rate as of the date of the applicable Schedule, Lessor may increase the Rent Payment accordingly, and Lessee hereby agrees to sign an amendment reflecting such increase by no later than the Commencement Date of Schedule. Lessee also shall pay all governmental fees, assessments and taxes, however designated, and any penalties or interest thereon, assessed on or related to the rent, this Lease or the Equipment, when due or invoiced; and all costs and charges of every kind regarding importation, shipment, delivery, installation, insurance, possession, use, lease, tax treatment, return, repossession, storage and transfer of any Item, when incurred; and if Lessor, in its discretion, pays any such amount, Lessee shall reimburse Lessor therefore, with interest, on demand, plus Lessor's administrative and other costs of paying and invoicing such amounts. Lessor may charge a late fee of 10% of any amount not paid by Lessee within 10 days of its due date hereunder, and all interest provided for under this Lease shall accrue at 18% per annum; provided that in no event shall such late fee or such interest exceed the maximum rate or amount permitted by applicable law. Lessee may from time to time make telephonic requests for, and Lessee hereby authorizes, Lessor or its agents to make and draw checks or drafts on a checking account to be designated by Lessee, payable to Lessor or order, to pay rent and other amounts due hereunder, plus Lessor's standard per item fee for making and drawing such check or draft not to exceed the maximum amount permitted by law. Lessor may rely on such request made by any

person it believes has authority to make such request on behalf of Lessee. Lessee will pay Lessor on demand a fee, in an amount determined by Lessor, not to exceed the maximum amount from time to time permitted by applicable law, for any check or automatic payment request returned due to insufficient funds or stop payment. Lessor may apply payments and any security deposit to Lessee's obligations hereunder in such order as it deems appropriate, and will return any unapplied balance to Lessee without interest when all such obligations are satisfied.

4. USE; REPAIRS. Lessee shall use the Equipment within recommended capacities, only for its designed purposes, in compliance with all laws, regulations and ordinances. At Lessee's expense, Lessee will maintain the Equipment in good repair and working order, furnish all needed parts and services and make all modifications and improvements required by law. Lessee will not modify or improve the Equipment without Lessor's prior written consent. All parts, modifications and improvements will become Lessor's property and part of the Equipment for all purposes. Lessee shall prepare and file all tax returns that it may file under the applicable taxing jurisdiction's laws for taxes that are Lessee's responsibility hereunder, including but not limited to personal property taxes if the End of Lease Provision under the applicable Schedule is (i) "Mandatory Purchase" or (ii) "Purchase Option" and the price for such option is a dollar amount stated in such Schedule.

5. RETURN. Subject only to strict compliance with the terms of any purchase or renewal provisions which are set forth herein or in any Schedule, upon expiration or earlier cancellation or termination hereof, Lessee shall, at its sole cost and expense, return all (not part) of such Equipment to Lessor's designee immediately upon expiration of the Initial Term and with respect to each item of Equipment, as applicable, the following must be true: All safety equipment must be in place and meet applicable federal, state and other governmental standards; All covers and guards must be in place with no sheet metal, plastic or cowling damage; All parts, pieces, components and optional equipment must be present, installed and operational; All accessories shall be returned in proper order; All motors shall operate smoothly without overheating and shall have good bearings and bushings; All electronic controls shall operate per manufacturers' specifications; Controls which bypass normal operations shall be repaired at Lessee's expense; All electrical systems shall be able to provide electrical output as specified by the manufacturer; All batteries shall be in good, safe operating condition with no dead cells or cracked cases; Batteries shall hold a charge and provide adequate power to operate the Equipment; All Equipment shall have serviceable tires, with 50% remaining tread, retaining proper air pressure, and without repair patches; All oil and grease seals must contain lubrication in the manufacturer's designed reservoir; All Equipment must have a relatively clean appearance; All Equipment must be free from excessive wear necessitating major component repair or replacement caused by lack of recommended maintenance detailed in Equipment operation/maintenance manuals; All Equipment shall be free from structural damage or bent frames; Any usage or metering devices must not have been altered in any way; All Equipment attachments, if any, must be in good operating condition; All hydraulic cylinders must not be bent, nicked, gouged or leaking. Any Equipment with reel cutting units shall be returned within standard service life specifications, defined as the factory reel diameter, less 0.5 inches (5 inch reels) and 0.4 inches for any larger diameter reels. If the Equipment is an electric golf car, then in addition to the above return provisions: (i) the golf car must be able to transport two (2) people and their golf clubs; (ii) all batteries and battery terminals must be clean, free of corrosion and have proper battery water levels; and (iii) each golf car must include operable battery chargers. Additionally, all Equipment must be able to complete the following tests: operate normally in forward and reverse directions through all its speed ranges or gears, steer normally right and left in both forward and reverse, have all functions and controls work in a normal manner, be able to stop with its service brakes in a safe distance in both forward and reverse, operate without leaking any fluids, perform its designed functions in a satisfactory manner, and all cutting units (if applicable) must be able to lower, turn on, run, raise and shut off as they are designed to do. If any Equipment is damaged or does not meet the standards set forth above for the return condition of such Equipment or if Lessee fails to discharge Lessee's obligations set forth under this Master Lease and/or a Lease with regard to any Equipment, Lessee shall remit to Lessor, immediately upon demand, the Stipulated Loss Value of such Equipment. The "Stipulated Loss Value" for a particular Item shall be an amount equal to: (i) the total of all monthly payments and other amounts, if any, due under the Lease with respect to such Item as of the date of payment of the Stipulated Loss Value, plus (ii) all rent not yet due for the Item for the remaining term of this Lease, discounted from their respective due dates at the rate of 3% per annum, plus (iii) the greater of (a) the Mandatory Purchase Price related to the Item; (b) the Item's "Anticipated Residual Value" as determined by Lessor's books at the Commencement Date; or (c) 10% of the original Final Cost related to the Item. Return

No option to purchase

This is not a rent agreement if based on cost

No. I do not think the City should do this

No.

Wear + Tear on a motor?

Why would we guarantee this on a lease?

If the equipment does not last, it is a City problem

Standards applicable when the Equipment is Golf Cars. The Return Condition Standards for golf cars are as follows: (a) Equipment must start, stop, and turn properly; (b) Mechanically, all Equipment must be in operable condition upon return and capable of being driven onto a transporter; (c) Cosmetically, all Equipment and component parts are to be returned operable and complete according to the original state, reasonable wear and tear expected; (d) All equipment shall have serviceable tires, with 50% remaining tread, retaining proper air pressure, and without repair patches; (e) All gauges will be operative and all fluid levels to manufacturer's specifications; and, (f) if the Equipment is an electric golf car, then in addition to the other Return Condition Standards: (i) the golf car must be able to transport two (2) people and their golf clubs; (ii) all batteries and battery terminals must be clean, free of corrosion and have proper battery water levels; and, (iii) each golf car must include operable battery chargers. Any missing Equipment and parts or damage to the Equipment will result in a separate billing at replacement cost or fair market value. Until properly returned, all Lease terms shall apply, including without limitation all Lessee's rent, insurance and maintenance obligations.

No warranty it will work whatsoever

6. DISCLAIMERS. LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF, THE ABSENCE OF ANY CLAIM OF INFRINGEMENT OR THE LIKE WITH RESPECT TO, OR ANY OTHER MATTER CONCERNING, THE EQUIPMENT, AND EXPRESSLY DISCLAIMS ANY SUCH WARRANTIES AND ANY OTHER WARRANTIES IMPLIED BY LAW. LESSEE HEREBY WAIVES ALL CLAIMS AGAINST LESSOR FOR ANY LOSS, DAMAGE OR EXPENSE CAUSED BY THE EQUIPMENT OR ANY DEFECT THEREIN, OR BY THE DELIVERY, INSTALLATION, USE, MAINTENANCE OR SERVICING OF OR ADJUSTMENT TO THE EQUIPMENT. AS TO LESSOR, LESSEE LEASES THE EQUIPMENT AS-IS, WITH ALL FAULTS, WITHOUT WARRANTY OF ANY KIND. Lessee acknowledges that: Lessor is not a dealer or manufacturer of equipment of any kind; is not the seller of the Equipment; each Item is of a type, size, design and capacity selected solely by Lessee; and this Lease is a "finance lease" under UCC Article 2A in all respects. To the extent permitted by law, Lessee unconditionally and irrevocably waives any and all rights and remedies against Lessor at law or in equity (including, without limitation, any rights and remedies granted Lessee under Article 2A of the Uniform Commercial Code and/or the right to reject any Equipment or repudiate this Lease).

No straight lease

7. INDEMNITY. To the extent permitted by law, Lessee shall indemnify and hold Lessor harmless from any and all claims, actions, damages, legal expenses (including reasonable attorneys' fees), obligations, liabilities, liens, fines, penalties or other amounts arising out of the manufacture, purchase, lease, use, condition, possession, ownership, operation or return of any Equipment, or in connection with latent or other defects, or any claim for patent, trademark or copyright infringement, including any strict liability claims, whether arising by operation of law, or with or without Lessee's fault or negligence or failure to comply with the terms hereof, and as a result of any lien, encumbrance or claim made on the Equipment by anyone, including Lessee's employees and agents, imposed or incurred by or asserted against Lessor, its successors or assigns. At Lessor's option, Lessee shall assume full responsibility for the defense of any indemnified claim.

No legal for City

8. LOSS. Lessee shall bear the entire risk of loss, theft, damage or destruction of any or all Items from any cause whatsoever ("Loss"); and no Loss shall relieve Lessee of any rent payment or other obligation hereunder. If Lessor determines that any Item has suffered an irreparable Loss, Lessee will either (i) replace the Item with like equipment (of the same year, make, model and accessories) in good repair, condition and working order; or (ii) pay Lessor the Stipulated Loss Value for such Item.

We are going to assign over our insurance to this group

9. INSURANCE. With respect to the Equipment, Lessee shall pay for and maintain, and furnish Lessor a certificate evidencing, insurance insuring against: (a) liability for bodily injury and property damage with a minimum combined single limit of \$1,000,000.00 or such greater amount as may be prescribed by any applicable state law specifying minimum insurance requirements, with Lessor as additional insured, and (b) loss or damage to the Equipment in an amount no less than the Equipment's full replacement value, with Lessor as loss payee. Each insurance policy shall be in such form, including a maximum deductible, and with such insurers as Lessor may accept, shall require the insurer to give Lessor at least 30 days' prior written notice of any cancellation or change in terms, and shall specify that no action or misrepresentation by Lessee will affect Lessor's coverage. Lessor has no duty to verify or notify Lessee that any such policy exists or is free of defects. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claims, receive payments and execute and endorse all documents, checks or drafts under any such policy. If Lessee fails to maintain, pay for or provide Lessor with evidence of the required insurance, Lessor may, but is not obligated to, obtain insurance covering Lessor's interest in the Equipment from an insurer of Lessor's choice. Lessor may charge Lessee the costs of acquiring and maintaining such insurance, and a fee for Lessor's services (collectively, "Insurance Charge"). At its discretion, Lessor may allocate the Insurance Charge to the remaining Rent Payments, which Lessee will pay with interest on such allocation. Nothing in this Lease will create an insurance relationship of any type between Lessor and any other person.

No

10. DEFAULT. Each of the following is an "Event of Default" hereunder: (a) Lessee fails to pay any rent or other payment required hereunder when due; (b) Lessee fails to comply with any other covenant or agreement hereunder and such failure continues for 10 days after notice by Lessor; (c) Lessee defaults under any other obligation to Lessor; (d) Lessee or any guarantor of this Lease ("Guarantor"), or any partner of Lessee ("Partner") if Lessee is a partnership, ceases doing business as a going concern or makes an assignment for the benefit of creditors; (e) Lessee or any Guarantor or Partner admits in writing an inability to pay debts as they come due, voluntarily files or has filed

against it involuntarily a petition under the federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for it or for all or a substantial part of its assets; (f) any individual Lessee, Guarantor or Partner dies; (g) any material indebtedness of Lessee or any Guarantor is accelerated or payment in full thereof is demanded; (h) Lessee or any Guarantor consolidates with, merges into or transfers all or substantially all its assets to another entity or individual; or (i) Lessee fails to occupy the premises where any Item is located, or the mortgagee or owner of such premises asserts the right to take possession thereof or exercise eviction or other remedies under the mortgage or lease of such premises.

11. REMEDIES. At any time on or after an Event of Default, Lessor may in its sole discretion, with or without canceling or terminating this Lease, exercise one or more of the following remedies: (a) on written notice to Lessee, cancel or terminate this Lease; (b) declare immediately due and payable and recover from Lessee the sum of all rent and other amounts then due in the current fiscal year; (c) enforce performance of, and/or recover damages for the breach of, Lessee's covenants; (d) repossess the Equipment wherever located, without notice or legal process; (e) exercise any other right or remedy available by law or agreement. Upon repossession, Lessor may retain the Equipment in full satisfaction of Lessee's obligations or may use reasonable efforts to sell or lease the Equipment in a manner and on terms as deemed appropriate by Lessor. Lessor will be entitled to any surplus and Lessee will be liable for any deficiency. Lessor may recover legal fees and other expenses incurred due to an Event of Default or the exercise of any remedy hereunder, including costs of repossession, repair, storage, transportation and disposition of the Equipment. No remedy shall be exclusive, and each shall be cumulative to the extent necessary for Lessor to recover amounts for which Lessee is liable hereunder.

12. ASSIGNMENT. Without Lessor's prior written consent, Lessee will not sell, assign, sublet, pledge or otherwise encumber or permit a lien arising through Lessee to exist against any interest in this Lease or the Equipment. Lessor may assign its interest in this Lease and sell or grant a security interest in all or any part of the Equipment without notice to or consent of Lessee. Lessee agrees not to assert against any assignee of Lessor any claim or defense Lessee may have against Lessor.

13. NON-CANCELABLE, UNCONDITIONAL OBLIGATION. This Lease cannot be canceled or terminated except as expressly provided herein. This Lease is a net lease; Lessee agrees that its obligation to pay rent and other amounts payable hereunder is absolute and unconditional and shall not be subject to any abatement, reduction, setoff or defense of any kind. If this Lease is deemed to be a lease intended as security, (i) Lessee grants Lessor a security interest in the Equipment to secure its obligations under this Lease and all present and future indebtedness to Lessor; (ii) this Lease shall be construed so that interest, the applicable interest rate or other charges shall not exceed the maximum time price differential, rate, interest or amount allowed by applicable law, and any excess payment will be applied first to prepay principal hereunder and then as a refund to Lessee; and (iii) this Lease is made under Minn. Stat. Sec. 334.022. The Equipment shall at all times remain Lessor's property, and Lessee's only right, title or interest therein shall be as set forth herein. At its expense, Lessee shall protect and defend Lessor's title and interest and keep the Equipment free of all claims and liens except those created by or arising through Lessor. Lessee authorizes Lessor to file such financing statements, title certificates and instruments as Lessor deems necessary to protect Lessor's interests in the Equipment, without Lessee's signature, and, if such signature is needed, Lessee appoints Lessor as Lessee's attorney-in-fact to sign such items in Lessee's name. Lessee will reimburse Lessor's costs with respect thereto on demand. Lessee's exact legal name is as shown above and Lessee represents and warrants to Lessor that as of the date hereof, and throughout the term of the Lease: (a) Lessee is a political subdivision of the state or commonwealth in which it is located and is organized and existing under the constitution and laws of such state or commonwealth; (b) Lessee has complied, and will comply, fully with all applicable laws, rules, ordinances, and regulations governing open meetings, public bidding and appropriations required in connection with the Lease, the performance of its obligations under the Lease and the acquisition and use of the Equipment; (c) the person(s) signing the Lease and any other documents required to be delivered in connection with the Lease (collectively, the "Documents") have the authority to do so, are acting with the full authorization of Lessee's governing body, and hold the offices indicated below their signatures, each of which are genuine; (d) the Documents are and will remain valid, legal and binding Leases, and are and will remain enforceable against Lessee in accordance with their terms; and (e) the Equipment is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of its authority and will be used during the term of the Lease only by Lessee and only to perform such function. Lessee further represents and warrants to Lessor that, as of the date each item of Equipment becomes subject to the Lease and any applicable Schedule, it has funds available to pay all Lease payments payable thereunder until the end of Lessee's then current fiscal year, and, in this regard and upon Lessor's request, Lessee shall deliver in a form acceptable to Lessor a resolution enacted by Lessee's governing body, authorizing the appropriation of funds for the payment of Lessee's obligations under the Lease during Lessee's then current fiscal year. Lessor may inspect the Equipment and Lessee's records related thereto at any time during business hours. All representations, warranties and indemnities of Lessee made or agreed to in or in connection with this Lease shall survive expiration, cancellation or termination of this Lease.

So if the equipment fails... pay the rent

I do not think we shall make a lease under Minn. law.

14. TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS. To the extent permitted by applicable law, Lessee agrees to take all necessary and timely action during the Lease term to obtain and maintain funds appropriations sufficient to satisfy its payment obligations under the Lease (the "Obligations"), including, without limitation, providing for the Obligations in each budget submitted to obtain applicable



*If terminated for non-appropriation we pay stipulated amount?*  
*Not an opinion I will give*  
*\$5 per hour extra rent will cost 1 tub?*

appropriations, causing approval of such budget, and exhausting all available reviews and appeals if an appropriation sufficient to satisfy the Obligations is not made. Notwithstanding anything to the contrary provided in the Lease, if Lessee does not appropriate funds sufficient to make all payments due during any fiscal year under the Lease and Lessee does not otherwise have funds available to lawfully pay the Lease payments (a "Non-Appropriation Event"), and provided Lessee is not in default of any of Lessee's obligations under such Lease as of the effective date of such termination, Lessee may terminate such Lease effective as of the end of Lessee's last funded fiscal year ("Termination Date") without liability for future payments or the early termination charge under such Lease, if any, by giving at least 60 days' prior written notice of termination ("Termination Notice") to Lessor. If Lessee terminates the Lease prior to the expiration of the end of such Lease's Initial Term, or any extension or renewal thereof, as permitted under the terms of the Lease or as set forth herein or in any Schedule, Lessee shall (i) on or before the Termination Date, return the Equipment subject to the terminated Lease in accordance with the return requirements set forth in such Lease, (ii) provide in the Termination Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (iii) deliver to Lessor, upon request by Lessor, an opinion of Lessee's counsel (addressed to Lessor) verifying that the Non-Appropriation Event as set forth in the Termination Notice has occurred, and (iv) pay Lessor all sums payable to Lessor under such Lease up to and including the Termination Date. Lessee acknowledges and agrees that, in the event of the termination of a Lease and the return of the Equipment as provided for herein, Lessee shall have no interest whatsoever in the Equipment or proceeds thereof and Lessor shall be entitled to retain for its own account the proceeds resulting from any disposition or re-leasing of the Equipment along with any advance rentals, security deposits or other sums previously paid by Lessee pursuant to the terms of the Lease. The termination of a Lease under this Section shall not terminate this Master Lease or any other Leases made pursuant hereto, and shall not terminate Lessee's obligation to make the required monthly payments for such Leases.

**15. DELIVERY OF CERTAIN DOCUMENTS AND RELATED REQUIREMENTS.** Lessee will execute or provide, as requested by Lessor, annual budget and financial information and such other documents and information, including an opinion of Lessee's counsel as to the validity and enforceability of this Master Lease and any Schedules, as are reasonably necessary with respect to the transaction contemplated by this Lease. If Lessee is a "Registered Organization" (as such term is defined in the UCC), then Lessee will: (i) upon request of Lessor, provide copies of its applicable registered organization documents; and (ii) not change its legal name or its chief executive office or state of organization, without, in each case, giving Lessor at least 30 days' prior written notice of any such event.

**16. EXCESS USAGE AND SUPPLEMENTAL RENTALS (APPLICABLE TO TURF CARE AND MAINTENANCE EQUIPMENT ONLY).** At the end of the Initial Term, Lessee shall remit to Lessor \$5.00 per hour on each Item that has hourly use in excess of the maximum hours as indicated on the applicable Schedule. Lessee shall remit such amounts within ten (10) days of Lessor's written demand. The hours of use of an Item shall be determined by the hour meter attached to said Item, provided that such meter remains operable and accurate. If any such hour meter becomes inoperable or inaccurate, Lessee shall immediately repair or replace same, and shall immediately notify Lessor in writing of such event and of the correct hours of usage of the Item during the period of time the hour meter was inoperable or inaccurate. Lessee shall promptly furnish Lessor such information as Lessor may reasonably request from time to time in order to document the hours of usage of the Equipment.

**17. GOVERNING LAW; JURY TRIAL WAIVER. THIS LEASE, AND ALL MATTERS OF THIS LEASE, INCLUDING ALL INTEREST AND FINANCE CHARGES HEREUNDER, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, FEDERAL LAW AND, TO THE EXTENT NOT PREEMPTED BY FEDERAL LAW, BY THE LAWS OF THE STATE OF MINNESOTA (EXCLUDING CONFLICTS LAWS). LESSEE HEREBY CONSENTS TO JURISDICTION AND VENUE OF THE FEDERAL OR STATE COURTS SITTING IN THE STATE OF**

*The City does not normally submit to Minnesota jurisdiction*

**MINNESOTA FOR RESOLUTION OF ALL DISPUTES OF ANY NATURE WHATSOEVER REGARDING THIS LEASE OR ANY TRANSACTION CONTEMPLATED HEREBY. LESSEE AGREES THAT, AT LESSOR'S SOLE ELECTION AND DETERMINATION, LESSOR MAY SELECT AN ALTERNATIVE FORUM, INCLUDING ARBITRATION OR MEDIATION, TO ADJUDICATE ANY DISPUTE ARISING OUT OF THIS LEASE. THE PARTIES HERETO, AFTER CONSULTING (OR HAVING HAD AN OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS LEASE, INCLUDING ANY ACTION TO ENFORCE THIS LEASE OR ANY RELATED AGREEMENTS.**

**18. MISCELLANEOUS.** This Lease constitutes the entire agreement between Lessee and Lessor with respect to the subject matter hereof; there is no other oral or written agreement or understanding. In Lessor's sole discretion, this Lease and related documents may be electronically copied and/or delivered by facsimile, telecopier or other electronic means of transmission ("e-copy") and the e-copy of any document or the printed version thereof shall be deemed an original, and admissible as such in any court or other proceeding; provided that there shall be only one original counterpart of each Schedule, and it shall bear the original signature of Lessor and be marked "Original." To the extent a Schedule is "chattel paper", a security or ownership interest may only be created therein by transferring the "Original" bearing Lessor's original signature. If Lessor permits Lessee to deliver this lease or any related document to Lessor via facsimile or other electronic means, Lessee shall deliver to Lessor, promptly on request, such document bearing Lessee's original "wet ink" signature; provided that neither delivery nor failure to deliver the document bearing Lessee's original "wet ink" signature shall limit or modify the representations and agreements set forth above. Except as expressly set forth herein, this Lease may not be amended or modified except by a writing manually signed by the parties. Lessee shall pay Lessor's costs, fees and expenses incurred in connection with any amendment, waiver, release, cancellation or termination of this Lease or any related document, financing statement, title certificate or instrument, including but not limited to filing and recording fees. This Lease is binding on and inures to the benefit of the parties hereto, their permitted successors and assigns. Any written notice hereunder shall be deemed given when delivered personally, deposited with a nationally recognized overnight courier (with all fees pre-paid), delivered via facsimile or e-mail (with confirmation of transmission), or deposited in the United States mails, certified or registered mail, addressed to recipient at its address set forth above or such other address as may be substituted therefor by notice given pursuant to the terms hereof. Lessee hereby agrees that Lessor, including its vendors, service providers, partners, affiliates, successors and assigns, may contact Lessee at any telephone number provided to Lessor, by placing voice telephone calls (including use of automatic telephone dialing systems or prerecorded voice messaging) or, in the case of wireless telephones or other wireless devices, by sending e-mail or automated (SMS) text messages. If more than one Lessee is named herein, the obligations of each shall be joint and several. Lessee authorizes, and represents that all Lessee's principals have authorized, Lessor to obtain such credit bureau reports and make such other credit inquiries with respect to Lessee and such principals as Lessor deems appropriate throughout the term of this Lease; on written request, Lessor will identify any reporting agency used for such a reports. Lessee warrants and agrees that the Equipment is leased and will be used for business purposes only, and not for personal, family or household purposes. Our institution complies with Section 326 of the USA PATRIOT Act. This law mandates that we verify certain information about you while processing your account application.

Wherever the name VGM Financial Services is used in the Agreement or any document relating to this Agreement, said name refers to VGM Financial Services, a division of TCF National Bank

Lessor: VGM Financial Services, a division of TCF National Bank

By: \_\_\_\_\_

Title: \_\_\_\_\_

Lessee:

By: \_\_\_\_\_

Title: \_\_\_\_\_



Wrong, Not Requested

# Turf Equipment Schedule (Fair Market Value Purchase Option)

The "Lease": **Equipment Lease Number** \_\_\_\_\_ **Dated** \_\_\_\_\_

"Lessee": \_\_\_\_\_

Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

"Lessor": **VGM Financial Services, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926**

This Equipment Schedule (this "Schedule") is entered into pursuant to and incorporates the terms of the Master Lease (except as expressly modified by this Schedule) identified above between Lessor and Lessee (the "Master Lease" and, together with this Schedule, this "Lease"). All capitalized terms not otherwise defined in this Schedule have the meanings assigned in the Master Lease. Upon execution and delivery of this Schedule by Lessor and Lessee, and Lessee's acceptance of the Equipment described below, Lessor leases to Lessee and Lessee leases from Lessor the Equipment on the terms and conditions of this Lease.

### SUMMARY OF TERM AND RENTAL PAYMENTS:

Commencement Date	Initial Term	Rent Payment Period	Each Rent Payment \$	Advance Rent Payment(s)	Interim Rent Daily Factor	Security Deposit
?	Months ?	?	plus applicable taxes except financed sales tax included in the Final Cost	N/A For Installments(s): N/A	N/A	N/A

EQUIPMENT, PERSONAL PROPERTY, SERVICES AND/OR SOFTWARE (the "Equipment"):	MAXIMUM HOURS:
	N/A

Each Rent Payment shall be payable in arrears on the date that is one month after the Commencement Date and on the same day of each subsequent Rent Payment Period for the Initial Term and any renewal term.

The following additional provisions apply to the Equipment and this Lease only:

- So long as this Lease has not been canceled or terminated early and no Event of Default exists, upon expiration of the Initial Term ("Lease End"), Lessee may purchase all, but not less than all, of the Equipment for the fair market value of the Equipment, as mutually determined by Lessor and Lessee, plus all sales and use taxes arising on the sale of the Equipment. To exercise the foregoing purchase option, Lessee must give written notice thereof to Lessor at least 90 days and no more than 120 days prior to Lease End. If Lessee fails to give such notice, or if the parties cannot agree on the Fair Market Value of the Equipment by 60 days before Lease End, then the purchase option shall lapse. If the purchase option lapses, then at least 30 days before Lease End or the end of any renewal term, Lessee must give Lessor notice of its intent to return the Equipment and request return location instructions. If Lessee fails to give such notice, or gives notice but fails to return the Equipment in accordance with Section 5 of the Master Lease, this Lease will automatically renew, at the same rental and other terms set forth in this Lease, for additional successive non-cancelable 1-month terms after the Initial Term until timely written notice of return and proper return of the Equipment is made.
- If Lessee gives timely notice of election to purchase the Equipment as provided in paragraph 1 and fails to timely pay the purchase price, then Lessor may, in its sole discretion, by written notice to Lessee (a) treat the Equipment as purchased and enforce payment of the purchase price, or (b) declare a failure to meet the purchase conditions whereupon Lessee's interest in the Lease and Equipment shall automatically be canceled and Lessee shall return the Equipment in accordance with Section 5 of the Master Lease.
- Upon Lessee's exercise of the purchase option and Lessor's receipt of the purchase price plus applicable sales and use tax and any rent or other amount owing under this Lease, the Equipment will be deemed transferred to Lessee at its then location and, on Lessee's request at such time, Lessor will deliver to Lessee a bill of sale for the Equipment, "WHERE IS, AS IS" WITHOUT ANY WARRANTY AS TO TITLE OR WITH RESPECT TO THE EQUIPMENT, EXPRESS OR IMPLIED.
- If Lessor suffers a Tax Loss because, for federal or state income tax purposes, for any reason, this Lease is not a true lease or Lessor otherwise is not entitled to depreciate the Equipment in the manner Lessor anticipated when entering into this Lease, then Lessee shall pay Lessor, as additional rent hereunder, a lump-sum amount which, after payment of all federal, state, and local income taxes on the receipt of such amount, and using the same assumptions as to tax benefits and other matters Lessor used in originally evaluating and pricing this Lease, will in Lessor's reasonable opinion maintain Lessor's net after-tax rate of return with respect to this Lease at the same level it would have been had such Tax Loss not occurred. Lessor will notify Lessee of any claim that may give rise to indemnity hereunder and will make a reasonable effort to contest any such claim at the administrative level of the applicable taxing authority. Lessor shall control all aspects of any settlement and contest, and Lessee agrees to pay the legal fees and other out-of-pocket expenses thereof even if Lessor's defense is successful. Notwithstanding the foregoing, Lessee will not be obligated to indemnify Lessor for any Tax Loss caused solely by (a) a casualty Loss to the Equipment if Lessee pays the amount required under Section 8 of the Master Lease, (b) Lessor's sale of the Equipment other than on account of an Event of Default, (c) failure of Lessor to have sufficient income to utilize its anticipated tax benefits or to timely claim such tax benefits, and (d) tax law changes, including rates, effective after the Lease begins. Lessee's indemnity obligations hereunder shall survive cancellation and termination of this Lease. For purposes of this paragraph, the term "Tax Loss", means Lessor's loss of, or loss of the right to claim, or recapture of, all or any part of the federal or state income tax benefits Lessor anticipated as a result of entering into this Lease and owning the Equipment; and the term "Lessor" shall include any member of an affiliated group of which Lessor is (or may become) a member if consolidated tax returns are filed for such affiliated group for federal income tax purposes.
- If this Lease terminates or is cancelled prior to the end of the Initial Term, then the Maximum Hours specified above shall be reduced pro rata based on the number of months remaining in the current year or Initial Term, as applicable. If the Lease is renewed or extended, the Maximum Hours allowed during such renewal or extension shall be calculated pro rata based on the number of Maximum Hours specified above and the number of months of such extension or renewal.
- This Schedule may, in Lessor's sole discretion, be delivered by facsimile or other electronic means ("e-copy"), and such e-copy or a printed version thereof shall be enforceable as an original and admissible as such in any court or other proceeding, provided that there shall be only one original of this Schedule and it shall bear the original signature of Lessor and be marked "Original". Lessee agrees to deliver to Lessor, on request, this Schedule bearing Lessee's original signature. If this Schedule constitutes chattel paper, a security or ownership interest intended to be created through the transfer and possession of this Schedule can be done only by the transfer of the "Original" bearing the original signature of Lessor.

Lessor: **VGM Financial Services, a division of TCF National Bank** By: \_\_\_\_\_ Title: \_\_\_\_\_

Lessee: \_\_\_\_\_ By: \_\_\_\_\_ Title: \_\_\_\_\_

# OPINION OF COUNSEL

(To be on Attorney's Letterhead)

Date:

Lessee:

Lessor: VGM Financial Services, a division of TCF National Bank  
1111 West San Marnan Dr, Suite A2 West  
Waterloo, IA 50701-8926

Re: Contract \_\_\_\_\_, dated as of \_\_\_\_\_, by and between \_\_\_\_\_ and Lessor

Ladies and Gentlemen:

I have acted as counsel to Lessee with respect to the contract described above (the "Lease") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Lease and exhibit thereto. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Lessee is a public corporation and political subdivision of the State of Florida (the "State") duly organized, existing and operating under the Constitution and laws of the State. The full, true and correct legal name of Lessee is \_\_\_\_\_.

2. The Uniform Commercial Code, as adopted in the State (the "UCC"), and no other statute of the State, governs the creation, perfection, priority or enforcement of a security interest created by Lessee. > No.

3. Lessee is authorized and has power under State law to enter into the Lease, and to carry out its obligations thereunder and the transactions contemplated thereby. > No, Not Indemnified

4. The Lease and the other documents described above have been duly authorized, approved, executed and delivered by and on behalf of Lessee, and the Lease is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights. No.

5. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable State and Federal laws.

6. The execution of the Lease and the appropriation of moneys to pay the payments coming due under the Lease do not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.

7. There is no litigation, action, suit, or proceeding pending or before any court, administrative agency, arbitrator or governmental body, that challenges the organization or existence of Lessee; the authority of the organization or existence of Lessee; the authority of its officers; the proper authorization, approval and execution of the Lease and the other documents described above; the appropriation of monies to make Rental Payments under the Lease for the current fiscal year, or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby. No.

This opinion of counsel may be relied upon by Lessor and its successors and assigns.

Very truly yours,

Sample

*We did not v  
will not adopt  
this.*

**RESOLUTION  
LEASE NO.  
DATED AS OF**

A resolution authorizing the negotiation, execution, and delivery of Lease No. \_\_\_\_\_ dated \_\_\_\_\_ (the "Lease"), between \_\_\_\_\_ and **VGM Financial Services, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926**; and prescribing other details in connection therewith.

**WHEREAS**, \_\_\_\_\_, (the "Lessee") is a political subdivision duly organized and existing pursuant to the Constitution and laws of the State of Florida; and

**WHEREAS**, Lessee is duly authorized by applicable law to acquire such items of personal property as are needed to carry out its governmental functions and to acquire such personal property by entering into lease-purchase agreements; and

**WHEREAS**, Lessee hereby finds and determines that the execution of a Lease for the purpose of leasing with the option to purchase the property designated and set forth in the Lease is appropriate and necessary to the function and operations of the Lessee; and

**WHEREAS**, VGM Financial Services, a division of TCF National Bank, (the "Lessor") shall act as Lessor under said Lease; and

**WHEREAS**, the Lease shall not constitute a general obligation indebtedness of the Lessee within the meaning of the Constitution and laws of the State;

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF** \_\_\_\_\_

Section 1. The Lease, in substantially the form as presently before the governing body of the Lessee, is hereby approved, and the \_\_\_\_\_ of the Lessee, is hereby authorized to negotiate, enter into, execute, and deliver the Lease and related documents in substantially the form as presently before the governing body of the Lessee, with such changes therein as shall be approved by such officer, and which Lease will be available for public inspection at the offices of Lessee.

Section 2. The Lessee shall, and the officers, agents and employees of the Lessee are hereby authorized and directed to take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Lessee with respect to the Lease.

Section 3. The Lessee's obligations under the Lease shall be expressly subject to annual appropriation by Lessee; and such obligations under the Lease shall not constitute a general obligation of Lessee or indebtedness of Lessee within the meaning of the Constitution and laws of the State of Florida.

Section 4. All other related contracts and agreements necessary and incidental to the Lease are hereby authorized, ratified and approved.

Section 5. This resolution shall take effect immediately upon its adoption and approval.

**CERTIFIED AS TRUE AND CORRECT** this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Clerk, Secretary or Assistant Secretary

*Mayor?  
City Clerk*

\_\_\_\_\_  
Printed Name of Clerk, Secretary or Assistant Secretary



**CERTIFICATE OF INCUMBENCY  
LEASE NO.  
DATED AS OF**

I, \_\_\_\_\_, do hereby certify that I am the duly elected or appointed and acting Clerk/Secretary of \_\_\_\_\_ (the "Lessee"), a political subdivision duly organized and existing under the laws of the State of Florida, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

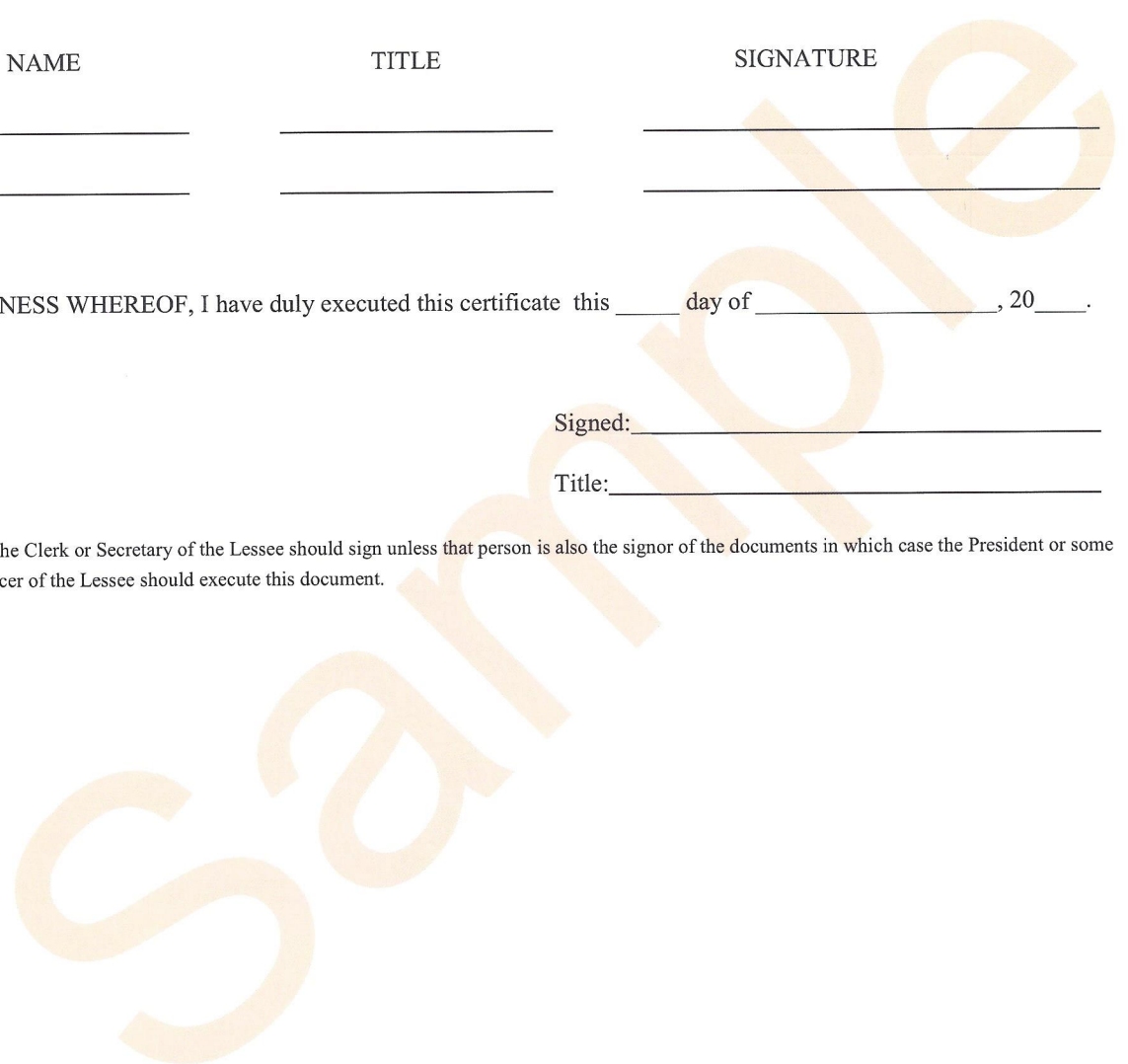
NAME	TITLE	SIGNATURE

IN WITNESS WHEREOF, I have duly executed this certificate this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

NOTE: The Clerk or Secretary of the Lessee should sign unless that person is also the signor of the documents in which case the President or some other Officer of the Lessee should execute this document.





# Delivery and Acceptance

“Lessee”
“Lessor”
VGM Financial Services, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926

Delivery and Acceptance agreement attached to and made a part of Lease \_\_\_\_\_ dated \_\_\_\_\_ (the "Lease").

**This Certificate relates to the Equipment (the “Equipment”) that is described in the Lease.**

Pursuant to the Lease, Lessee acknowledges that Lessor has acquired the Equipment in connection with the Lease and Lessee has either received a copy of the purchase agreement with the vendor of the Equipment on or before signing the Lease or has approved such purchase. Lessee hereby represents, warrants and certifies that (i) all of the Equipment has been delivered to Lessee at the Equipment Location set forth in the Lease and has been installed, tested and inspected by Lessee or duly authorized representatives of Lessee, (ii) the Equipment Description set forth in the Lease is complete and correct, (iii) the Equipment, together with any supporting documentation, is exactly what Lessee ordered, is in good working order, is satisfactory in all respects and has been accepted by Lessee under the Lease as of the Acceptance Date set forth below, and (iv) there has been no adverse change in the business or financial condition of Lessee or any guarantor of the Lease since the day the most recent financial statement of Lessee or any guarantor was submitted to Lessor. If Lessee has made a deposit to the Equipment vendor(s), by signing this Certificate, Lessee hereby transfers all of Lessee’s right, title and interest in and to the Equipment to Lessor, except to the extent set forth in the Lease, whether or not Lessee has been reimbursed for the deposit(s).

IMPORTANT: LESSEE SHOULD SIGN THIS CERTIFICATE ONLY AFTER LESSEE HAS RECEIVED AND IS COMPLETELY SATISFIED WITH THE EQUIPMENT. BY SIGNING THIS CERTIFICATE, LESSEE (1) IS IRREVOCABLY ACCEPTING THE EQUIPMENT, (2) BECOMES ABSOLUTELY AND IRREVOCABLY OBLIGATED TO LESSOR UNDER THE LEASE, AND (3) MAY NOT THEREAFTER REJECT THE EQUIPMENT, CANCEL OR TERMINATE THE LEASE OR DENY ANY STATEMENT MADE IN THIS CERTIFICATE, FOR ANY REASON WHATSOEVER

Acceptance Date: \_\_\_\_\_

Lessee: \_\_\_\_\_ By: \_\_\_\_\_ Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_

**Please Complete and return this document by Fax to 800-741-8079 upon delivery and acceptance of the financed Equipment.**



WWW.KANSASGOLFANDTURF.COM

800-260-6095 316-267-9111  
5701 N CHUZY DRIVE WICHITA, KS 67219

# QUOTE

ATTENTION: MIKE HULTEEN  
HESSTON GOLF COURS

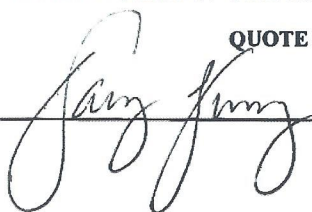
MANUFACTURER:	MODEL DESCRIPTION:	LIST PRICE	YOUR PRICE
HUSTLER	SUPER 104 - MODEL #939462	\$30,936.00	\$22,892.64
	VANGAURD BIG BLOCK 36 HP		
	104" REAR DISCHARGE DECK		
	2 UNIT SUBTOTAL:		\$45,785.28

36 MONTH FMV LEASE PAYMENTS: \$1,192.00 ←  
~~36 MONTH \$1 BUYOUT PAYMENTS: \$1,385.00~~

DELIVERY \$0.00  
 FREIGHT AND SETUP \$0.00  
 SUB TOTAL:  
 TAX: EXEMPT  
 TOTAL PRICE:

THANK YOU FOR CONSIDERING KANSAS GOLF AND TURF FOR ALL YOUR EQUIPMENT NEEDS. THE PRICES QUOTED ARE VALID FOR 30 DAYS.

QUOTE BY: RYAN BLEW, KGT

Approved by:  Date: Nov 10, 2020





## **Agenda Item Summary**

**Meeting date:** April 13, 2020

**Subject:** Appropriations Ordinance No. 010-2020-218

**Recommendation:** Consider the ordinance

---

### **Background Information:**

**Briefed by:** City Attorney J.T. Klaus

**Summary:** This ordinance establishes an appropriation plan and would allow for the city to continue to do business in the event the COVID-19 pandemic forces the cancellation of future Council meetings.

**Attachment:** Ordinance No. 010-2020-218

(Published in *The Hesston Record* on April 16, 2020)

ORDINANCE NO. 010-2020-218

AN ORDINANCE APPROPRIATING THE AMOUNTS SET UP IN EACH FUND IN THE BUDGET FOR THE REMAINDER OF CALENDAR YEAR 2020, PROVIDING FOR THE PAYMENT OF ALL CLAIMS AND CHARGES AGAINST THE ACCOUNTS PROVIDED FOR THEREIN.

WHEREAS, in an abundance of public caution and given the growing the Novel Coronavirus (“COVID-19”) concerns, the City of Hesston, Kansas (the “City”), with input from the City Attorney, is taking the necessary proactive steps to combat and limit the spread of COVID-19 and is focusing on how to best protect the health and safety of its citizens and maintain the City services in the community; and

WHEREAS, although there are currently no reported cases of COVID-19 within the City, the governing body of the City finds it necessary to establish an appropriation plan which would allow it to continue to do business in the event the City has to suspend future City Council meetings;

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

SECTION 1. That there is hereby appropriated the accounts set up in each fund in the budget for the remainder of the fiscal year 2020 for the payment of all claims and charges against each fund. Payments of all claims and charges against each fund shall be made by combination checks and warrants to be signed by the facsimile signature of the Mayor and countersigned by the facsimile signature of the City Clerk and Treasurer, as provided by law; provided, however, that such officers shall at all times comply with the provisions of the Budget Law and Cash Basis Law of the State of Kansas.

SECTION 2. That the payment of all claims and charges against the respective accounts and funds provided in the budget for the year 2020 are hereby authorized, ratified and approved.

SECTION 3. This Ordinance shall take effect from and after its passage and publication once in the official City newspaper.

PASSED, ADOPTED AND APPROVED this day of 13th day of April, 2020.

CITY OF HESSTON, KANSAS

[seal]

By \_\_\_\_\_  
David K. Kauffman, Mayor

ATTEST:

By \_\_\_\_\_  
Jason Thrasher, City Clerk



## Agenda Item Summary

**Meeting date:** April 13, 2020

**Subject:** Golf Course Project Bids

**Recommendation:** Consider the bids.

---

### Background Information:

**Briefed by:** City Administrator Gary Emry

<u>Contractor</u>	<u>Clubhouse Project</u>	<u>Add for Alt. Entry</u>	<u>Total</u>
Preferred Builders	\$1,179,720.00	\$38,766.00	\$1,218,486
Vogt's Construction	\$986,489.32	\$30,964.00	\$1,017,453.32

**Attachment:** Bids from Preferred Builder & Vogt's Construction



Hesston Golf Course Clubhouse Proposal

*Friday April 10, 2020*

PREPARED FOR:

**Gary Emry**

CITY OF HESSTON

115 E Smith

Hesston, KS 67062

PREPARED BY:

**Cody Palmer**

VOGTS CONSTRUCTION COMPANY

717 North Main

Newton, KS 67114

(316) 282-2400

[cody@vogtsconstruction.com](mailto:cody@vogtsconstruction.com)



## Vogts Construction Company

717 North Main  
Newton, KS 67114

P: (316) 282-2400  
F: (316) 804-7228

### SCOPE OF WORK

**Hesston Golf Course Clubhouse  
520 Yost Dr  
Hesston, KS 67062**

**Estimator: Cody Palmer  
Architect Number:**

Detailed notes explaining our attached Bid Proposal dated on 04/10/2020.

#### General Bid Notes

1. This Project Proposal includes full renovation of existing 52' x 52' Hesston Golf Course Clubhouse with a 52' x 52' addition, plus patio overhands and additional site work per drawings. This Proposal bid is based on the Drawings provided by Cody M. McClellan dated February 11, 2020.

HESSTON PROJECT TEAM



**Bill Zerger**  
General Manager



**Cody Palmer**  
Project Manager



**Bryan Zerger**  
Superintendent

OR



**Chris Sizemore**  
Superintendent

## HESSTON GOLF COURSE KEY SUB CONTRACTORS

### *Division 02 – Site Work*

- Excavation & Fill – Apex Excavating, LLC.
- Utility Services – Apex Excavating, LLC.

### *Division 03 – Concrete*

- Concrete – Major Concrete, Inc.

### *Division 04 – Masonry*

- Masonry – Mantz & Shober Masonry, LLC.

### *Division 05 – Steel*

- Handrails & Railing – Hesston Machine & Welding, Inc.

### *Division 06 – Carpentry*

- Wood Framing – Mid Kansas Construction
- Finish Carpentry – Self Performed by Vogts Construction

### *Division 07 – Moisture & Thermal Protection*

- Building Insulation – Wichita Drywall & Acoustics
- Stucco – Superior Masonry & Stucco
- Metal Roofing – Mahaney Metals or Wray Bend Architectural Metal Co, Inc.

### *Division 08 – Doors, Windows, & Glass*

- Doors/Frames & Hardware – Woodwork Manufacturing & Supply, Inc.
- Windows – Woodwork Manufacturing & Supply, Inc.

### *Division 09 – Finishes*

- Drywall – Wichita Drywall & Acoustics
- Flooring – Neufeldt's Inc.
- Painting – Nisly and Son's Painting, Inc.

### *Division 15 – Mechanical*

- Plumbing – Goering Hardware Company
- HVAC – Cooks HVAC

### *Division 16 – Electrical*

- Electrical – Total Electric

# VOGTS CONSTRUCTION PROJECT SCHEDULE



General Building Contractor  
Residential & Commercial  
709 N. Main, Newton, KS 67114  
(316) 282-2400 📞

## Hesston Golf Clubhouse Expansion and Renovation Construction Schedule

### Projected Work Schedule by Months

#### Month 1

- Mobilization
- Site Surveying
- Site Work
- Dig & Pour Footings

#### Month 2

- MEP Under slab Rough In
- Prep and pour Building Slab
- Wood Framing
- Existing Building Demolition

#### Month 3

- Dry in Building
- Metal Roofing
- Windows & Exterior Doors
- Exterior Finishes
- MEP Rough In

#### Month 4

- Insulation & Drywall
- Interior Finish Carpentry
- Exterior Finish Carpentry
- Painting

#### Month 5

- Concrete Paving
- Specialties & Hardware
- Flooring Installation
- MEP Finishes
- Punch list Items & Inspections
- Final Cleaning

\*Vogts Construction has a projected completion date of 5 months from Construction Start Date

\*Start Date subject to City Approval





## Vogts Construction Company

717 North Main  
Newton, KS 67114

P: (316) 282-2400  
F: (316) 804-7228

### Bid Quote Report

**Project Title:** Hesston Golf Course Clubhouse

**Location:** 520 Yost Dr  
Hesston, KS 67062

**Floor Area (Sq Ft):** 0

**Architect Number:**

**Printed On:** 04/10/2020

**Bid Date:** 03/18/2020

**Revision:** Original

**Owner Contact:** Gary

#### 01 General Conditions

**\$119,621.22**

Surveying	\$2,406.07
Safety	\$1,470.38
Builders Risk Insurance	\$2,673.41
Bonding	\$10,158.96
Superintendent	\$47,052.04
Project Manager	\$18,820.81
Project Vehicle	\$6,843.93
Estimator	\$4,705.20
Testing	\$4,824.97
Temp Storage	\$1,336.71
Temp Toilet	\$454.48
Temp Fence	\$2,673.41
Job Sign	\$534.68
Rental Equipment	\$3,208.09
Tools & Equipment	\$2,673.41
Dust Protection	\$1,710.98
Dust Protection	\$1,069.36
Cleaning	\$1,710.98
Cleaning	\$534.68
Dumpster Rental	\$3,849.71
Punchlist	\$641.62
Punchlist	\$267.34

#### 02 Site Work

**\$67,979.51**

Building Demolition	\$20,531.80
Remove Concrete	\$1,604.05
Remove Roofing	\$3,935.26
Interior Demolition	\$3,421.97
Gravel Backfill	\$481.21
Excavation and Fill	\$24,434.98
Silt Fence	\$876.88
Utility Services	\$12,030.35
Site Signage	\$342.20

Site Signage	\$320.81	
<b>03 Concrete</b>		<b>\$102,274.01</b>
Concrete	\$101,268.81	
Concrete Coring	\$1,005.20	
<b>04 Masonry</b>		<b>\$3,742.78</b>
Masonry	\$3,742.78	
<b>05 Steel</b>		<b>\$15,024.56</b>
Fasteners	\$481.21	
Anchor Bolts	\$641.62	
Structural Steel	\$5,881.50	
Handrails & Railing	\$8,020.23	
<b>06 Carpentry</b>		<b>\$134,023.46</b>
Rough Carpentry	\$8,554.92	
Wood Framing	\$56,760.80	
Wood Framing	\$36,363.74	
Blocking	\$1,710.99	
Blocking	\$855.49	
Wood Trusses	\$5,716.82	
Finish Carpentry	\$20,317.92	
Finish Carpentry	\$3,742.78	
<b>07 Moisture &amp; Thermal Protection</b>		<b>\$206,492.15</b>
Building Insulation	\$10,616.65	
EIFS	\$21,387.29	
Metal Roofing	\$172,114.21	
Flashing and Sheet Metal	\$1,604.05	
Caulking	\$342.20	
Caulking	\$427.75	
<b>08 Doors, Windows &amp; Glass</b>		<b>\$74,342.22</b>
Doors/Frames & Hardware	\$3,079.77	
Doors/Frames & Hardware	\$42,239.90	
Windows	\$28,765.90	
Mirrors	\$256.65	
<b>09 Finishes</b>		<b>\$83,107.79</b>
Drywall	\$33,310.70	
Acoustical Ceiling	\$5,423.82	
Flooring	\$25,130.06	
Painting	\$19,243.21	
<b>10 Specialities</b>		<b>\$8,315.37</b>
Fire Extinguishers	\$162.54	
Fire Extinguishers	\$406.36	
Toilet Compartments	\$1,154.91	
Toilet Compartments	\$3,224.13	
Toilet Accessories	\$769.94	

Toilet Accessories	\$2,597.49	
<b>15 Mechanical</b>		<b>\$116,250.61</b>
Plumbing	\$27,867.64	
HVAC	\$88,382.97	
<b>16 Electrical</b>		<b>\$55,489.32</b>
Electrical	\$55,489.32	
	<b>Total</b>	<b>\$986,663.00</b>



**Vogts Construction Company**

717 North Main  
Newton, KS 67114

P: (316) 282-2400  
F: (316) 804-7228

**Alternates**

**Project:** Hesston Golf Course Clubhouse  
**Location:** 520 Yost Dr Hesston KS 67062  
**Area:** 0.00 SF  
**Architect Number:**

**Print Date:** 04/10/2020  
**Bid Date:** 03/18/2020  
**Revision:** Original  
**Owner Contact:** Gary Emry

**Alternate 1 - Grand Entry**

**\$30,964.00**



Office Number: 620-327-4880  
Dean's cell: 620-327-3256  
Office Fax: 620-327-3092

Office Address: 455 S.Old Hwy 81  
Hesston, Ks 67062

City of Hesston  
115 E Smith  
Hesston, Ks, 67062

**Project: Hesston Golf Course Clubhouse Expansion and Renovation**

Preferred Builders has reviewed, clarified and projected costs for the plans set out by Cody D. McClellan for the Golf Course Clubhouse Expansion and Renovation project (dated 2020-2-11). Preferred Builders proposes to furnish all materials and equipment and to perform all labor for and incidental to the Work for the Project all in accordance with said plan.

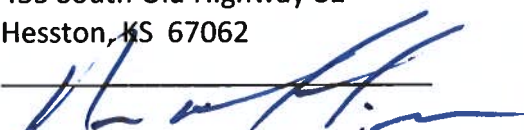
Preferred Builders proposes to complete this project for the sum of  
One million, one hundred seventy-nine thousand, seven hundred twenty dollars (\$1,179,720.00)

Additional for Alternate Entry:  
Thirty eight thousand, seven hundred sixty six dollars (\$38,766.00)

**NOTE:**  
Bid does not include site utility work (Gas and Water)  
Bid Bond Included

**Proposed Start Date: June 1, 2020 with completion December 1, 2020**

Preferred Builders  
455 South Old Highway 81  
Hesston, KS 67062

  
Dean M. Leatherman, President



Office Number: 620-327-4880  
Dean's cell: 620-327-3256  
Office Fax: 620-327-3092

Office Address: 455 S.Old Hwy 81  
Hesston, Ks 67062

As a licensed and bonded entity, Preferred Builders Inc. has been serving Hesston and the surrounding communities since 1989. Our goal is to provide our clients with quality services at a high value.

In the 31 years that Preferred Builders has been in existence we have served the community with construction from restoration following the Hesston tornado, building of multiple duplex and quadplexes for the long term care community, meeting the light commercial needs of our two large manufacturing businesses and building of custom homes. Areas of construction focus for Preferred Builders are custom homes, moderate range commercial remodel/construction and concrete work.

**Owners of Preferred Builders;** Dean Leatherman, Gerhard Fast, and Jared Boese are all residents of Hesston and collectively have 90 years of construction experience.

Management of similar such projects as the proposed are listed below:

**Dean Leatherman**

- Remodel of Erb Hall at Hesston College
- Remodel of the Training Center at AGCO
- Large multi-level office construction and remodel at Harper Industries, Harper, KS
- Multiple new homes in the Hesston and Newton area
- Large concrete project for AGCO's paint building

**Gerhard Fast**

- Residential duplexes for Showalter Villa
- Remodel of building for Bluestem PACE in McPherson, KS
- Remodel of building for Midway Motors, Newton, KS

**Jared Boese**

- Manages crew at the on-site locations for quality and efficiency
- Involved in all management decision as of 2017.

In the recent past Preferred has partnered with and proposes to utilize the following sub-contractors for the Hesston Golf Course Clubhouse project.

Goering Hardware, Moundridge, KS  
Beran Concrete, Wichita, KS  
Kansas Electric, Newton, KS  
Koehn Painting Company, Newton, KS  
Central Mechanical, Wichita, KS



## Agenda Item Summary

**Meeting date:** April 13, 2020

**Subject:** Property Purchase

**Recommendation:** Discussion/Action

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### Background Information:

**Briefed by:** City Administrator Gary Emry

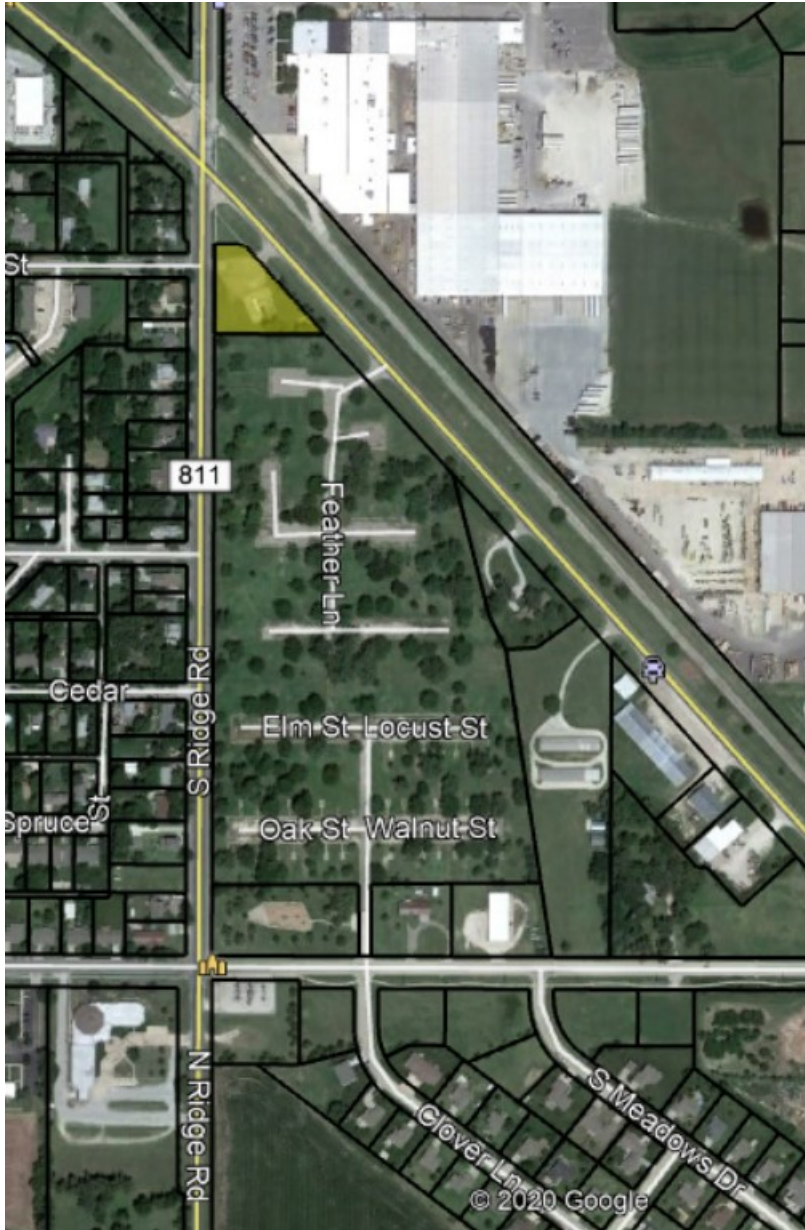
**Summary:** Intrust Bank contacted the City Administrator offered to sell their property located at the intersection of Old 81 and Ridge Road to the city. The administrator advised them to send the offer to him for placement on the next agenda for discussion/action.

**Financial Impact:** In accordance with terms of the offer attached: \$90,000

**Funding Source:** Fund 30 – Capital Improvement

**Recommendation:** During several conversations regarding development of Ridge Point, we often discussed this parcel of land and the importance it plays in the build-out of Ridge Point. Our talks surrounded the intent of Intrust Bank to build a brick and mortar banking facility at that location. In my discussions with Intrust Bank during their purchase of First Bank, I posed that question and was told they had no intent of building a facility in Hesston. This property is very important in controlling and establishing the design and architectural standard for that area.

**Attachments:** Real Estate Purchase Agreement & Appraisal





## REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (this "Agreement") is made effective as of the last date this Agreement has been executed by both Buyer and Seller (the "Effective Date"), by Intrust Bank, National Association ("Seller") and the City of Hesston, Kansas ("Buyer").

In consideration of the mutual covenants and obligations contained in this Agreement, the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

1. Sale and Purchase. Seller agrees to sell and Buyer agrees to purchase the real property located at 246 S. Ridge Road, Hesston, Kansas, all more fully described on Exhibit "A" attached hereto, and all improvements on and appurtenances to the real property, including all of Seller's interest in and to any street, highway, or public way adjoining such real property, and all rights, privileges, easements, licenses, rights of way, hereditaments and appurtenances to such real property, including without limitation, all of Seller's abutter's rights and title to all land underlying roadways adjacent to such land, and all oil, gas, and other minerals not previously reserved or conveyed of record (the "Property").

2. Purchase Price. The purchase price for the Property shall be Ninety Thousand Dollars (\$90,000.00) (the "Purchase Price"). Buyer shall pay the Purchase Price as follows:

2.1 Earnest Money Deposit. Upon the execution of this Agreement by the parties, Buyer shall deposit with Security 1st Title, 727 N. Waco, Suite 300, Wichita, Kansas 67203 (the "Title Company"), an earnest money deposit in the amount of \$500.00 (the "Earnest Money"), to be held in a non-interest bearing account and disbursed in accordance with this Agreement.

2.2 Payment at Closing. At the Closing, the Title Company shall deliver the Earnest Money to Seller, and Buyer shall pay to Seller, by wire transfer to an account designated by Seller, an amount equal to the Purchase Price, as adjusted, less the Earnest Money, all subject to the cost allocations and pro-rations provided in Section 6 and Section 7 (the "Closing Cash Payment").

3. Title and Survey.

3.1 Title Commitment. Within 15 days after the Effective Date, Seller shall deliver to Buyer a commitment for an ALTA owner's policy of title insurance covering the Property (the "Title Commitment") issued by the Title Company and legible copies (when legible copies are available) of all documents that are the basis for proposed exceptions to coverage in the Title Commitment (the "Exception Documents"). The Title Commitment shall name Buyer as the proposed insured and state the Purchase Price as the policy amount.

3.2 Survey. Buyer may obtain a survey (the "Survey") of the Property, a copy of which, if obtained, will be provided to Seller and the Title Company and certified to the Title Company, the Seller and the Buyer. The Seller shall allow the Surveyor access to the Property for purposes of conducting and preparing the Survey.

3.3 Review. Buyer agrees to notify Seller in writing of any objections to any matters reflected in the Title Commitment, Exception Documents, or Survey ("Title Objections") within 15 days after the date on which Seller has delivered to Buyer the last of the Title Commitment, the Exception Documents, and the Survey (the "Title and Survey Review Period"). If Buyer receives a revision of the Title Commitment or Survey, Buyer shall have 20 days after receipt in which to notify Seller of any Title Objections to any matters referred to in the revision that did not appear in the prior version of the Title

Commitment or Survey, as applicable. Any matters reflected in the Title Commitment, Exception Documents, or Survey to which Buyer does not object during the Title and Survey Review Period, or to which Buyer has accepted in writing or otherwise waived during the Title and Survey Review Period, shall be deemed to be permitted exceptions to Seller's title (the "Permitted Exceptions").

3.4 Curing Objections. Any exceptions, restrictions, requirements or other matters affecting the title to the Property which first arise after the effective time of the Title Commitment and before the Closing shall be deemed Title Objections, unless Buyer otherwise waives the same in writing. Seller agrees to notify Buyer promptly upon Seller obtaining actual knowledge of any Title Objection coming into existence after the date of the Title Commitment. Notwithstanding the foregoing, any mortgages, deeds of trust, judgments and mechanics liens, tax liens or warrants, and any delinquent real property taxes (collectively, the "Monetary Liens") shall be automatically deemed Title Objections by Buyer without any further action or notice thereof to Seller. Seller shall have until the Closing to cure the Title Objections but except with respect to Monetary Liens (which Seller will be obligated to cure), under no circumstance shall Seller be obligated to cure any Title Objection. In the event that all Title Objections are not cured by the Closing Date, Buyer's exclusive rights under this Agreement shall be either (i) to waive any one or more of the Title Objections and proceed to the Closing, or (ii) to the extent such Title Objections relate to Monetary Liens, Buyer may direct the Title Company at the Closing to pay the amounts necessary to cause any such Monetary Liens to be fully paid, satisfied and removed from the Title Commitment (or insured over by the Title Company if acceptable to Buyer) from the purchase proceeds otherwise to be paid to Seller at the Closing, or (iii) to terminate this Agreement by delivering written notice of such termination to Seller. If Buyer terminates this Agreement pursuant to this Section 3.4, the Earnest Money shall be promptly returned to Buyer.

4. Inspections (Environmental and Otherwise). During the period beginning on the Effective Date and ending on the 45<sup>th</sup> day thereafter (the "Inspection Period"), Buyer and its representatives, agents, and contractors may, upon reasonable prior written notice to Seller, make physical inspections of the Property, and otherwise conduct environmental tests and investigations and take such actions as Buyer deems appropriate to determine the condition of the Property, including, without limitation, conducting a Phase I or Phase II environmental site assessment of the Property or other invasive testing. Buyer shall indemnify and hold Seller harmless from and against any and all claims for injury to person or damage to property to the extent caused by the negligence or willful misconduct of Buyer or Buyer's representatives, agents, or contractors on the Property. During the Inspection Period, Buyer may terminate this Agreement for any reason, including, without limitation, the environmental condition of the Property, by delivering written notice of such termination to Seller prior to the expiration of the Inspection Period. If Buyer terminates this Agreement during the Inspection Period pursuant to this Section 4, the Earnest Money shall be promptly returned to Buyer. The indemnification obligations of Buyer set forth in this Section 4 shall survive any termination of this Agreement.

5. Closing. The closing of the sale of the Property (the "Closing") shall occur in the offices of the Title Company on a day acceptable to Buyer and Seller, but no later than 60 days following the Effective Date. At or before the Closing, Seller and Buyer shall each take such actions and deliver the duly executed documents necessary or appropriate to close the sale as described in this Agreement. All documents shall be reasonably satisfactory to the legal counsel for the parties. The actions to be performed and the documents to be delivered at the Closing include those described in this Section 5.

5.1 Seller's Acts and Deliveries. At or before Closing, Seller shall deliver the following:

(a) A duly executed and acknowledged special warranty deed conveying the Property to Buyer free and clear of any lien, claim, encumbrance, restriction, or other matter other than the Permitted Exceptions;

(b) An affidavit and indemnity of Seller enabling the Title Company to insure Buyer's title to the Property without exceptions for unfiled liens, rights of parties in possession, and matters created, first appearing in the public records, or attaching subsequent to the effective date of the Title Commitment but prior to Buyer's acquisition of title of record to the Property;

(c) Any other deeds, conveyances, or documents necessary to vest fee simple title exclusively in Seller and/or required by the Title Company to insure Buyer's exclusive, marketable title to the Property;

(d) An affidavit of Seller sufficient to relieve Buyer of its withholding obligations under § 1445 of the Internal Revenue Code;

(e) A settlement statement;

(f) Possession of the Property, free of personal property and broom-clean, but otherwise in substantially the condition existing on the Effective Date.

5.2 Buyer's Acts and Deliveries. At Closing, Buyer shall deliver the following:

(a) The Closing Cash Payment; and

(b) A settlement statement.

6. Costs. Seller shall pay (i) Seller's attorneys' fees, (ii) one-half (1/2) the standard premium for the title policy to be issued by the Title Company to Buyer, and (iii) one-half of the closing fees and expenses of the Title Company. Buyer shall pay (i) Buyer's attorneys' fees, (ii) the cost of filing the deed and any mortgage or other financing instrument, (iii) one-half (1/2) the standard premium for the title policy to be issued by the Title Company to Buyer, (iv) the cost of the premium for any extended title insurance coverage and any endorsements to the Title Policy requested by Buyer; (v) the cost of the Survey, (vi) the cost of the environmental site assessment and other inspections on the Property, and (vii) one-half of the closing fees and expenses of the Title Company.

7. Prorations and Credits. Seller shall be responsible for the payment of all ad valorem real estate taxes and assessments assessed against the Property and for all installments of special assessments against the Property for the years prior to the year of the Closing. Ad valorem real estate taxes and assessments and installments of special assessments for the year of the Closing shall be prorated between Seller and Buyer. If the actual amount of ad valorem taxes or assessments for the year of the Closing cannot be determined at the Closing, the proration shall be on the basis of the amount assessed for the prior year, adjusted to reflect changes in assessed value or rates known to be in effect for the year of the Closing.

8. Seller's Representations and Warranties.

8.1 Seller's Representations and Warranties. To induce Buyer to enter into this Agreement, Seller represents and warrants to Buyer as follows:

(a) Pending Actions. Except as disclosed in the Title Commitment, there is no action, suit, arbitration, administrative or judicial proceeding, or unsatisfied order or judgment pending or, to Seller's knowledge, threatened against the Property or Seller that affects the Property or the transaction contemplated by this Agreement.

(b) Condemnation. There are no condemnation or eminent domain proceedings of any type pending or, to Seller's knowledge, threatened that relate to any part of the Property, and Seller has received no notice, oral or written, of the desire of any public authority or other entity to take or use any part of the Property.

(c) Leases or Rights of Possession. Except for any easements or other rights which may be disclosed on the Title Commitment and leases provided to Buyer pursuant to Section 3 of this Agreement, no party other than Seller has any right to use or possess all or any part of the Property, whether by lease, license or otherwise.

(d) No Third Party Right to Purchase Property. No party has the right to purchase the Property.

(e) Enforceability. This Agreement, and each of the other transaction documents to which Seller is or will be a party, is or when executed will constitute a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as the enforceability may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance, or similar laws in effect which affect the enforcement of creditors' rights generally, or (ii) general principles of equity.

(f) No Violation. The execution, delivery, and performance by Seller of its obligations under this Agreement will not conflict with or result in a breach of, or constitute a default under, any of the provisions of any judgment, decree, or order by which the Property or Seller are bound or any contract or agreement to which Seller is a party or by which Seller is bound.

8.2 Survival of Representations and Warranties. Seller's liability for Seller's representations and warranties shall survive the Closing and Buyer's acceptance of title to and possession of the Property.

8.3 Condition of Property. Except as expressly set forth in this Agreement, neither Seller nor any of its agents, officers, directors, owners, affiliates or employees has made or will make any representations or warranties of any kind whatsoever, whether oral or written, express or implied, with respect to the Property; and except as expressly provided herein, Buyer will be purchasing the Property in its "AS IS, WHERE IS" condition and "WITH ALL FAULTS."

9. Conditions to Buyer's Obligation to Close. The obligation of Buyer to close and purchase the Property shall be subject to and conditioned upon the satisfaction, at or before the Closing, of all the conditions set out below, which Buyer may waive in its absolute discretion.

9.1 Performance. Seller shall have performed all of Seller's obligations under this Agreement.

9.2 Title Insurance. Buyer shall have received a copy of the Title Commitment marked and initialed by the Title Company to evidence the satisfaction of all requirements and the Title Company's binding obligation to issue to Buyer an owner's policy of title insurance insuring in Buyer indefeasible fee simple title to the Property with no exceptions other than the Permitted Exceptions.

9.3 Representations and Warranties. Seller's representations and warranties in this Agreement shall be true and correct as of the Closing.

10. Default.

10.1 Default by Buyer. In the event that Buyer breaches its obligation to timely close the purchase/sale transaction contemplated by this Agreement for any reason other than a default by Seller under this Agreement, and should Buyer fail to cure such default within five (5) days after receipt of Seller's written notice of such default, Seller shall, as its sole and only remedy, terminate this Agreement and, thereupon, Seller shall be entitled to the Earnest Money, which funds shall be accepted by Seller not as a penalty but as complete liquidated damages, and the parties shall be under no further obligation to each other under or related to this Agreement. Buyer and Seller hereby acknowledge and agree that in the event Buyer should so default in the performance of its obligations under this Agreement, Seller will suffer substantial damages which would be difficult to establish with any certainty. The parties agree that in the event of such a default the amount of the Earnest Money would be reasonable compensation to Seller for its damages. In order to create certainty with respect to such damages, the parties hereby agree that the Earnest Money shall constitute the amount of Seller's damages in the event of a closing default by Buyer hereunder. The limitations contained above in this Section 10.1 shall not apply to a breach by Buyer of any of its other obligations under this Agreement (other than its Closing obligations hereunder), and Seller shall have all rights and remedies available at law or equity with respect to any such breach.

10.2 Default by Seller. In the event that Seller breaches its obligation to timely close the purchase/sale transaction contemplated by this Agreement for any reason other than a default by Buyer under this Agreement, and should Seller fail to cure such default within five (5) days after receipt of Buyer's written notice of such default, Buyer shall be entitled to either (i) terminate this Agreement and receive a refund of the Earnest Money (together with any extension payments made by Buyer), or (ii) seek specific performance of Seller's obligations (provided, however, that Buyer must commence any such action for specific performance within thirty (90) days of the alleged breach by Seller). The limitations contained in this Section 10.2 shall not apply to a breach by Seller of any of its other obligations and covenants under this Agreement (other than its closing obligations hereunder) and Buyer shall have all rights and remedies available at law or equity with respect to any such breach.

11. Conduct of Business. Through the Closing, Seller shall operate and maintain the Property in the ordinary course, consistent with past practice, including compliance with zoning ordinances, building codes, and other applicable laws and regulations. Through the Closing, Seller will not take any of the following actions with respect to the Property without the prior written consent of Buyer: (i) make any improvements on the Property; or (ii) enter into any agreements with a third party to grant any rights to use or possess the Property.

12. Condemnation. Seller will give Buyer prompt notice of any actual or threatened condemnation of any portion of the Property. If prior to the Closing there is a threat of or an actual condemnation of any material portion of the Property, Buyer may terminate this Agreement by written notice to Seller within five (5) days after Buyer receives the notice described above or at the Closing, whichever is earlier. If Buyer does not elect to terminate this Agreement, Buyer shall purchase the Property without reduction of the Purchase Price, and Seller shall assign or pay to Buyer all of Seller's interest in any condemnation award.

13. No Solicitation or Other Bids. Seller shall not, and shall not authorize or permit any of its representatives to, directly or indirectly: (a) encourage, solicit, initiate, facilitate or continue inquiries regarding a Proposal (as defined below); (b) enter into discussions or negotiations with, or provide any

information to, any person or entity concerning a possible Proposal; or (c) enter into any agreements or other instruments (whether or not binding) regarding a Proposal. Seller shall immediately cease and cause to be terminated, and shall cause its representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any persons conducted heretofore with respect to, or that could lead to, a Proposal. For purposes hereof, a “Proposal” means any inquiry, proposal or offer from any person or entity (other than Buyer) relating to the direct or indirect acquisition of all or any portion of the Property.

14. Brokers. Seller shall indemnify and hold Buyer harmless from and against any and all claims and expenses arising out of or resulting from any agreement alleged to have been made by Seller or on Seller’s behalf with any other broker or finder in connection with this Agreement or the transaction contemplated by this Agreement. Buyer shall indemnify and hold Seller harmless from and against any and all claims and expenses arising out of or resulting from any agreement alleged to have been made by Buyer or on Buyer’s behalf with any other broker or finder in connection with this Agreement or the transaction contemplated by this Agreement.

15. Time. Time is of the essence of this Agreement. If the last day of any time period provided in this Agreement falls on a Saturday, Sunday, or legal holiday, the period shall be extended to end on the next day that is not a Saturday, Sunday, or legal holiday.

16. Notice. All notices required or permitted by this Agreement shall be in writing and shall be personally delivered in return for a receipt or sent by certified mail, return receipt requested, or by overnight courier, to the addresses set forth below, or transmitted by email to the email address for each party set forth. All notices shall be deemed given on the date of delivery or, if sent by (a) mail as provided above, on the third business day after the date of deposit in the U.S. mail, (b) courier as provided above, on the next business day after delivery to the courier, or (c) email as provided above, upon receipt if sent prior to 12:00 midnight local time at the address of the addressee, or on the next business day if delivered after 12:00 midnight local time or on a Saturday, Sunday, or legal holiday. Any party may change the address to which notices are to be given by giving notice in this manner.

17. Construction. The rule of construction that a document is to be construed most strictly against the party who drafted the document is not applicable to this Agreement because both parties participated in the preparation of this Agreement. “Includes” and “including” are not limiting. References to sections and exhibits are to sections and exhibits of this Agreement unless otherwise indicated. References to numbered sections include included sections. For example, a reference to Section 1 includes Section 1.1, 1.1(a), etc. Any reference to “this Agreement” is a reference to this Agreement as a whole, and is not limited to the particular section, clause, schedule, exhibit, or provision in which the reference appears, and to this Agreement as amended, supplemented, replaced, or assigned from time to time. The meanings of defined terms are applicable to the singular and plural forms of the defined terms.

18. Counterparts. This Agreement may be separately executed in any number of counterparts, all of which when so executed shall be deemed to constitute one and the same agreement. This Agreement may be validly executed and delivered by facsimile or other electronic transmission.

19. Assignment. No party may assign any of its rights or delegate any of its obligations under this Agreement, voluntarily or involuntarily, whether by merger, consolidation, conversion, dissolution, operation of law, or any other manner. Any attempted assignment in violation of this provision is void and a breach of this Agreement. Notwithstanding the foregoing to the contrary, Buyer, without Seller’s consent, may assign its rights under this Agreement to any entity that is owned or controlled by Buyer, or is an affiliate or subsidiary of Buyer, provided that the assignee execute an assignment document in which

it expressly assumes the obligations of Buyer under this Agreement and that the assignment document duly executed by Buyer and the assignee is promptly delivered to Seller. Such assignment shall relieve Buyer from any of its obligations under this Agreement.

20. Earnest Money. Notwithstanding any other terms of this Agreement providing for forfeiture or refund of the Earnest Money, the parties understand that applicable Kansas real estate laws prohibits the Title Company from distributing the Earnest Money, once deposited, without the consent of all parties to this Agreement. Buyer and Seller agree that failure by either to respond in writing to a certified letter from the Title Company within 7 days of receipt thereof or failure to make written demand for return or forfeiture of the Earnest Money within 30 days of notice of cancellation of this Agreement shall constitute consent to distribution of the Earnest Money as suggested in any such certified letter or as demanded by the other party hereto.

21. Entire Agreement; Amendment. This is the final expression of the entire agreement between Buyer and Seller and there are no agreements, understandings, restrictions, warranties, or representations other than those stated in this Agreement. This Agreement cannot be amended except by a writing executed by Buyer and Seller.

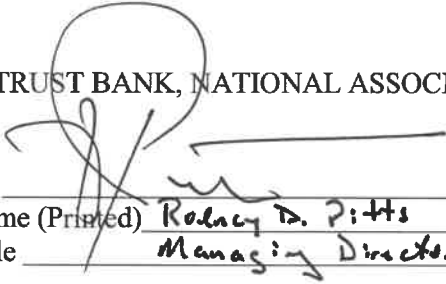
22. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Kansas.

*(Signatures on following pages)*

EXECUTED as of the Effective Date.

SELLER:

INTRUST BANK, NATIONAL ASSOCIATION

By   
 Name (Printed) Rodney D. Pitts  
 Title Managing Director  
 Date March 24, 2020

Seller's Notice Address:

P.O. Box 1  
 Wichita, Kansas, 67201  
 Email: Sharon.Self@INTRUSTBANK.com

BUYER:

CITY OF HESSTON, KANSAS

By \_\_\_\_\_  
 David K. Kauffman, Mayor  
 Date \_\_\_\_\_

Buyer's Notice Address:

City Hall  
 115 E. Smith - P.O. Box 100  
 Hesston, Kansas 67062-0100  
 Email: gary@hesstonks.org

*\*\*\* Signature Page to Real Estate Purchase Agreement \*\*\**



Exhibit "A"

Legal Description of Property

Lot 1, Block 1, Razook Addition #1, to the City of Hesston, Harvey County, Kansas

## Section One - Executive Summary

---



**Vacant Commercial Lot  
 246 S. Ridge Road  
 Hesston, Kansas 67062**

<b>Type of Property:</b>	Vacant Commercial Lot	
<b>Legal Description:</b>	Lot 1, Block 1, Razook Addition #1, to the City of Hesston, Harvey County, Kansas	
<b>PIN:</b>	040-035-15-0-30-02-001.00-0	
<b>Owner of Record:</b>	First Bank of Newton	
<b>Harvey County Appraised Value:</b>	<u>2019</u>	<u>2018</u>
	\$12,350 - Land	\$12,350 - Land
	\$ 4,590 - Improvements	\$ 4,340 - Improvements
	\$16,940 - Total	\$16,690 - Total



**2018 General Property Taxes:** \$630.02

**Special Assessments:** None

**Delinquent Taxes:** None – The taxes have been paid in full.

**Site Area:** 45,738 square feet or 1.05 acres per Harvey County records

**Improvements:** None – some depreciated site paving remains on-site from prior use

**Zoning:** “C-2” – General Commercial District

**Highest and Best Use:** Commercial development commensurate with the surrounding market, when viable

**Property Rights Appraised:** Fee Simple Interest

**Date of Inspection:** 29-May-2019

**Dates of Valuation:** 29-May-2019

**Date of Report:** 31-May-2019

**Furniture, Fixtures & Equipment:** None included in our opinion of value.

**Estimated Market Exposure Time:** 12 to 24 Months

**Opinion of Value – As Is (Vacant Land), Effective 29-May-2019:**

Income Approach..... Not Applied

Sales Approach ..... \$90,000

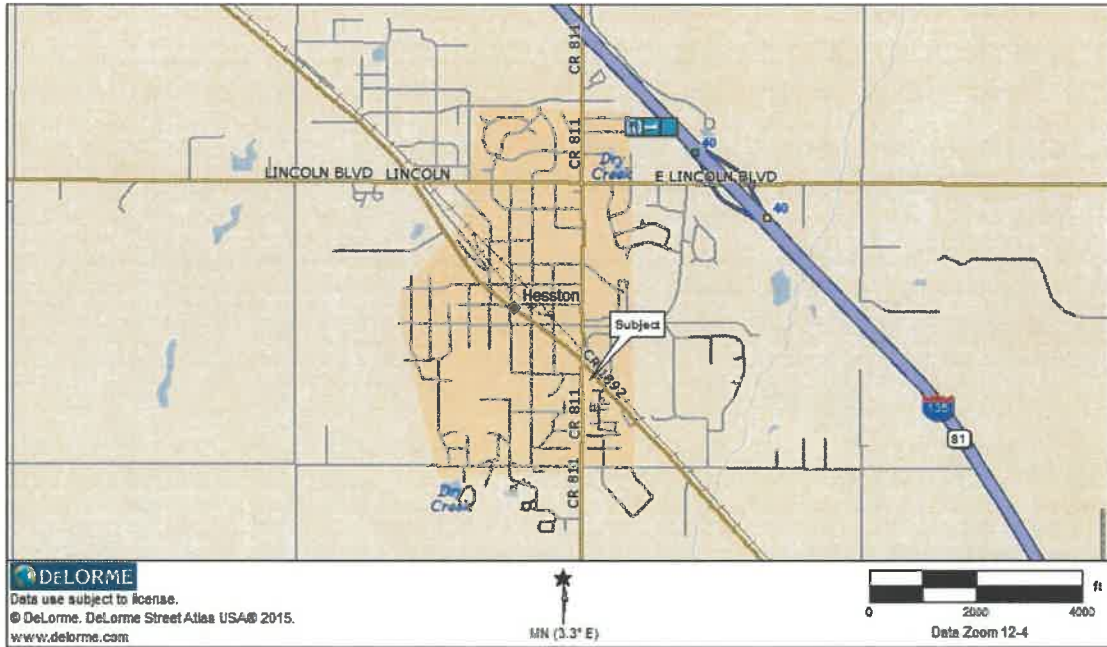
Cost Approach ..... Not Applied

**Final Opinion of Market Value..... \$90,000**

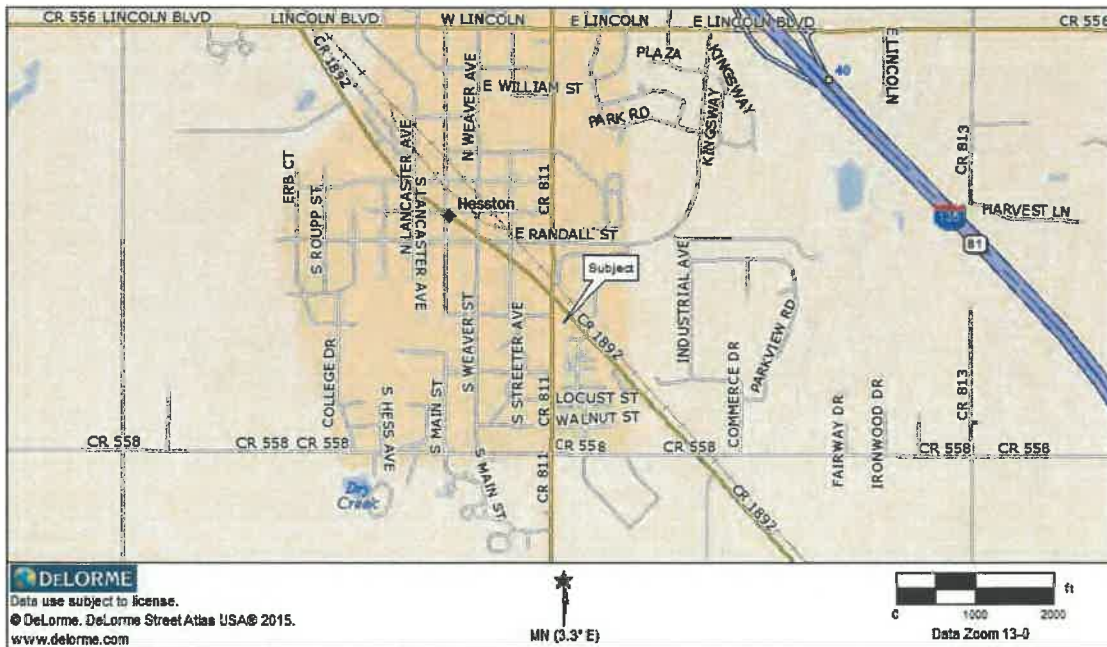
Please refer to the Special Assumptions and Limiting Conditions noted on pages 9-2 through 9-4.

## Section Two - Market Area Analysis

### Regional Map



### Market Area Map



Vacant Commercial Lot - First Bank of Newton  
246 S. Ridge Road, Hesston, Kansas 67062

Section 2-1



## Agenda Item Summary

**Meeting date:** April 13, 2020

**Subject:** Mill and Overlay Project

**Recommendation:** Discussion/ Potential Action

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### Background Information:

**Briefed by:** City Administrator Gary Emry

**Summary:** In accordance with our street and maintenance replacement plan, Public Works invited three asphalt contractors to submit proposals to mill and overlay 26,400sy of street in the Country Acres addition. They were also asked to bid replacement of approximately 400LF of layback curb and gutter. Staff would like to discuss movement forward pertaining to this information.

**Financial Impact:** Price of Low bid

**Funding Source:** Capital Improvement & Special Street & Highway

**Recommendation:** Two years ago, the governing body approved increasing the annual street maintenance fund with an additional \$200k utility reserves holding the North Newton payment for the wastewater management agreement.

Due to extremely friendly oil pricing, we are able to fund much larger projects than we have in the past, which was generally held in the \$50,000-\$75,000 range. In the last two years we have seen prices

continue to decline, strengthening our position to increase resurfacing.

Additional information regarding these bids is forthcoming. These bids were solicited without a request for them to claim an expiration period. Additionally, there are some streets that MAY need the support of specials because they have not been paid for by the residents prior to this. We have been slowed down in determining this because of COVID-19.

**Attachments:** Bid proposals from:

<b><u>Company</u></b>	<b><u>Bid Price</u></b>
Flint Hills Material	\$282,858.40
Cornejo & Sons	\$316,988.40
APAC	\$322,099.00



402 East 29th Street North ■ Wichita, Kansas 67219 **316.744.5256** FHM.WORK



Project# 2020-009

**City Of Hesston Kansas**  
Hesston, Kansas

03/20/2020

**Estimate Scope: Milling and Asphalt Paving**

Flint Hills Materials will provide all equipment, trucking, materials and labor to complete the work quoted. All materials and construction methods will meet K-DOT specifications. New asphalt will be placed with a paver using automatic grade controls to insure proper drainage and the smoothest surface possible. Asphalt will be rolled with a vibratory steel drum roller to insure proper density is achieved.

**Included:**

- Material testing is included.
- Millings to be hauled to county yard.
- All mobilizations are included in this bid.
- All work will have a one-year warranty.

**Not Included:**

- Sales tax is not included PEC required.
- No Bond is Included, add 1% if Bond is required.
- No Striping is included in this estimate.
- No rock base or fine grading is included.
- No staking is included.

**Base Bid: Asphalt Paving**

<u>Item</u>	<u>Qty</u>	<u>U.O.M.</u>	<u>Unit Price</u>	<u>Extended</u>
1.) AC Pavement 2"	26,378	SY	\$10.30	\$271,693.40
2.) Concrete Curb and Gutter"	319	LF	\$35.00	\$11,165.00

**Total: \$282,858.40**



2060 E. Tulsa  
Wichita, KS 67216

316-522-5100 Office  
316-522-8187 Fax

<b>To:</b> CITY OF HESSTON	<b>Contact:</b> Scott Robertson
<b>Address:</b> PO BOX 100 HESSTON, KS 67062 US	<b>Phone:</b> (620) 327-4412 <b>Fax:</b> (620) 327-4595
<b>Project Name:</b> City Of Hesston M&OL	<b>Bid Number:</b> 2003035
<b>Project Location:</b> Various Streets In Hesston, Hesston, KS	<b>Bid Date:</b> 4/3/2020

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
1	Mobilization	1.00	LS	\$10,000.00	\$10,000.00
2	2" Milling	24,452.00	SY	\$2.30	\$56,239.60
3	2" HMA OVERLAY (KDOT COMM GR)(PG 58-28)(25% RAP)	24,452.00	SY	\$9.40	\$229,848.80
4	Traffic Control	1.00	LS	\$9,500.00	\$9,500.00
5	Curb And Gutter Removed And Replaced	300.00	LF	\$38.00	\$11,400.00

**Total Bid Price:** \$316,988.40

**Notes:**

- Exclusions:
  - Sales Tax and Bonds
  - Staking, Layout, Testing, Inspection, Permits
  - Utility Work
  - Erosion Control/Seeding
  - Signing, Pavement Marking
- Work to be built in Fall 2020.
- All Items to be paid by Field Measured Qty agreed upon by both Cornejo & Sons LLC and City of Hesston.
- Mix Used is KDOT COMM GR 25% RAP (PG 58-28), any alternate mix design is subject to repricing.
- All items are tied unless other arrangements are made with us prior to bidding.
- WE ARE AN E-VERIFY COMPANY  
WE CONDUCT ANNUAL EXTERNAL I-9 AUDITS TO ENSURE ACCURACY & CORRECTNESS.  
WE CONDUCT ANNUAL I-9 TRAINING FOR OUR ENTIRE HR STAFF.  
ALL OF OUR EMPLOYEES ARE AUTHORIZED TO WORK IN THE US AND HAVE BEEN E-VERIFIED.

<p><b>ACCEPTED:</b> The above prices, specifications and conditions are satisfactory and hereby accepted.</p> <p><b>Buyer:</b> _____</p> <p><b>Signature:</b> _____</p> <p><b>Date of Acceptance:</b> _____</p>	<p><b>CONFIRMED:</b> <b>Cornejo &amp; Sons, LLC.</b></p> <p><b>Authorized Signature:</b> _____</p> <p><b>Estimator:</b> Micaiah Bergeron (316) 640-7866 Micaiah.Bergeron@cornejocorp.com</p>
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A CRH COMPANY

APAC-KANSAS, INC., SHEARS DIVISION

A CRH COMPANY

3511 S WEST ST | WICHITA, KS 67217  
P (316) 524 5200 | F (316) 524 3651

# PROPOSAL

**TO** The City of Hesston  
Scott Robertson, Public Works Superintendent  
**PROJECT** Hesston 2020 Mill & Overlay  
Curb & Gutter Repair  
**LOCATION** Hesston, Kansas

**DATE** 03/12/2020

APAC-Kansas, Inc., Shears Division – Wichita Branch (“APAC”) offers to furnish all labor, materials and equipment required for the performance of the following:

### ASPHALT MILL & OVERLAY

- Cold mill existing deteriorated surface asphalt; follow up with edge milling at existing concrete curb and gutter; remove area of loose debris; asphalt apply a tack coat of SS-1H emulsified asphalt to promote adhesion; pave and compact 2” surface mix asphalt (approximately 26,212.000 sq-yd)
- Remove and replace concrete curb & gutter identified by the City of Hesston (approximately 190.000 In-ft)

**BID TOTAL \$ 322,099.00**

### UNIT PRICES

- Asphalt base patch areas to support asphalt overlay **billed at \$118.00 per TON**  
(assume 350.000 TN)
- Additional removal/replacement concrete curb & gutter **billed at \$ 40.00 per LF**

### Notes:

1. APAC is not responsible for damage to any unmarked lines under pavement.
2. Does not include utility adjustments.
3. Does not include any items other than those specifically called out.
4. Does not include sales tax. The City of Hesston to provide a KDOR Project Exemption Certificate.
5. Does not include bonds of any kind.

If you have any questions or need any additional information, please call me at (316) 524-5200.

Sincerely,

Daniel Plake  
Estimator  
daniel.plake@apac.com

Accepted By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_



## TERMS AND CONDITIONS - Proposal and Contract

Payment in full for all work performed hereunder during any month shall be made not later than the tenth (10th) day of the month next following. Final and complete payment for all work performed hereunder shall be made not later than fifteen (15) days after the completion of such work. Interest at the highest rate allowable under the laws of the in state which the work is done, or one and one half percent (1½%) per month, whichever is less, shall be charged and paid on all unpaid balances from the due date to the date we receive payment. You agree to pay in full all costs and expenses incurred by APAC in collecting the amounts owed by you under the Agreement, including any and all court costs and attorneys' fees. Payments received will be applied against open items on unpaid invoices in an order and sequence determined by APAC in its sole discretion. Any monies paid to you for our work shall be held in trust for our benefit.

We shall not become obligated to perform the work called for under this Proposal and Contract until we check and approve your credit. This Proposal and Contract shall be null and void if your credit is not approved. If credit conditions become unsatisfactory at any time prior to our completion of the work hereunder, you will furnish adequate security upon our request. To the extent you fail to provide adequate security, we may stop work.

This document is the full agreement between us, regardless of any prior proposals or communications. Any deviations from the specifications or modification of the terms of this contract and any extra or incidental work, or reductions in work, shall be set forth in writing and signed by both parties prior to the making of such change. We will be compensated for any increase in our costs caused by such change, on the basis of the increase plus ten percent (10%) profit. If a time is set for the performance of work, and if, in our judgment, such change or other circumstances beyond our reasonable control will increase the time necessary for our performance, we will be granted a reasonable extension of time.

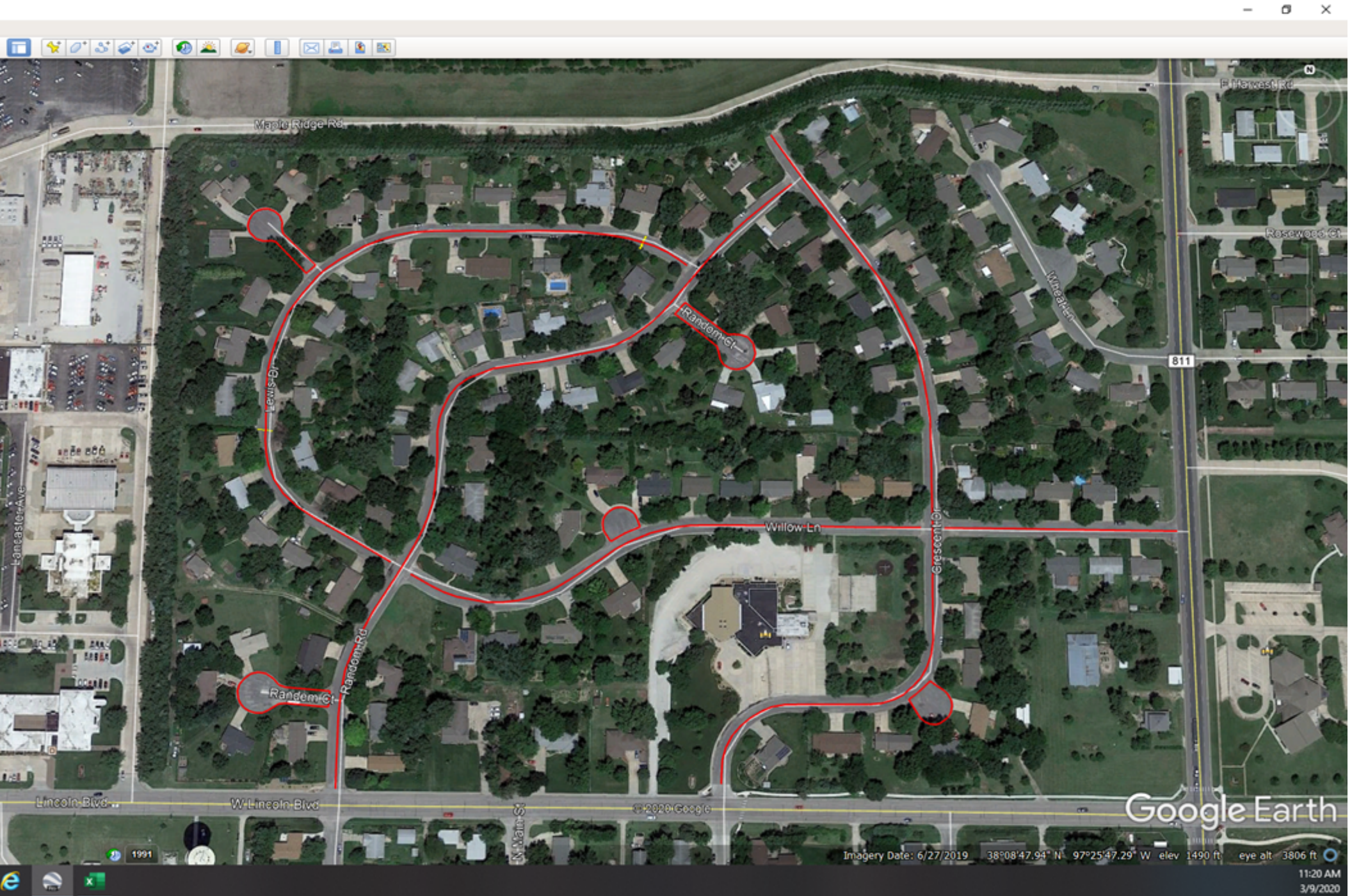
We will provide and pay for Workers' Compensation covering our employees, as well as General Liability and Property Damage Insurance. You agree to carry General Liability and Property Damage Insurance sufficient to protect yourself against any and all claims and liabilities arising from the performance of the work, including but not limited to claims arising under your agreement to indemnify and hold us harmless under this contract.

We shall be provided with suitable access to the work area. If our work is dependent upon or must be undertaken in conjunction with the work of others, such work shall be so performed and completed as to permit us to perform out work hereunder in a normal uninterrupted single shift operation.

Unless a time for the performance of our work is specified, we shall undertake it in the course of our normal operating schedule. We shall not be liable for any failure to undertake or complete the work for causes beyond our control, and we may suspend the work for causes beyond our control, including but not limited to fire, flood or other casualty; the presence on or beneath the work site of utilities, facilities, substances, or objects, including but not limited to any substance that in our opinion is hazardous or toxic or the reporting, remediation, or clean-up of which is required by any law or regulation (together "subsurface conditions"); labor disputes or other disagreements; and accidents or other mishaps, whether affecting this work or other operations in which we are involved, directly or indirectly.

If for causes beyond our control our work is not completed within twelve (12) months after the date of your acceptance of the proposal, we may cancel this agreement at any time thereafter on ten (10) days notice. In such event (i) we shall be relieved of any further obligation with respect to the balance of the work; and (ii) we shall be entitled to receive final and complete payment for all work performed by us to the date of cancellation within fifteen (15) days thereafter.

We shall not be responsible for, and you agree to indemnify and hold us harmless from, any suit, claim, liability, cost or expense arising from or in any way related to: sidewalks, driveways or other improvements located within our work area or designated areas of access, and to adjacent property and improvements; subsurface conditions; and any and all other alleged damages to persons or property, including but not limited to personal injury and death, arising from the performance of the work, unless such alleged damages arise from our sole negligence. You further agree to indemnify and protect us and save us harmless from any and all loss, damage, costs, expenses and attorney's fees suffered or incurred on account of your breach of any obligations and covenants of this contract. It is further understood that we shall not be responsible for any damage to or deterioration of any of our work, whether completed or in process, resulting from any cause or causes beyond our reasonable control, including but not limited to design, failure of subgrade or other subsurface conditions, or failure or inadequacy of any labor or materials not furnished and installed by us, whether or not such failure or inadequacy was or could have been known at the time our work was undertaken or work performed under adverse weather conditions. You agree that the proper jurisdiction and venue for adjudication concerning this contract is Harvey County, Kansas, and you waive any right to jurisdiction and venue in any other place.





## Agenda Item Summary

**Meeting date:** April 13, 2020

**Subject:** Hesston Pharmacy Request

**Recommendation:** COVID-19 Testing Area

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### Background Information:

**Briefed by:** Mayor David Kauffman

**Summary:** The Hesston Pharmacy has requested permission to establish a COVID-19 testing area in the rear of their building in the alley.

Mayor Kauffman will provide further information regarding this request.





## Agenda Item Summary

**Meeting date:** April 13, 2020

**Subject:** Annual Designation of Council President

**Recommendation:** Nominate and elect a member of the Council

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### Background Information:

**Briefed by:** City Administrator Gary Emry

**Summary:** Under City Code, the Council shall elect annually the President of the Council from its membership. The President shall preside in the absence of the Mayor. If a vacancy should occur in the office of the Mayor, the President shall become Mayor.

#### **Council Presidents**

2015	Brad Unruh
2016	Jason Jones
2017	Jason Jones
2018	Jason Jones
2019	Susan Swartzendruber



## **Agenda Item Summary**

**Meeting date:** April 13, 2020

**Subject:** Harvey County Economic Development – City Appointees

**Recommendation:** Consider new appointment

---

### **Background Information:**

**Briefed by:** City Administrator Gary Emry

**Summary:** Both of the City representatives on the Harvey County Economic Development Board expire in April. The Mayor would like to appoint the following representatives to the board:

- Council Member Jason Jones (reappointment)
- Hesston resident John Carder (new appointment)

The term would be for two years beginning May 1, 2020 and run through April 30, 2022.



## **Agenda Item Summary**

**Meeting date:** April 13, 2020

**Subject:** Public Meetings of Boards/Commissions

**Recommendation:** Discussion/Action

---

### **Background Information:**

**Briefed by:** City Administrator Gary Emry

**Summary:** During this period of working from home under the Governor's stay-at-home order which currently runs through April 19<sup>th</sup>, it has become difficult to conduct business that would otherwise call for a specific gathering of boards and commissions to meet in person. Of concern is conducting business by the Planning and Zoning Commission that would legally require a public hearing to afford the opportunity for residents to appear and express concerns for or against certain actions regarding zoning, variances, etc. Some of our constituents may not have the capability to appear during an electronic meeting conducting those actions and would therefore be unable to appear. We often have more than ten people attend the Planning and Zoning meetings, making it difficult to maintain social distancing.

**Recommendation:** I am recommending that we temporarily pause accepting all applications requiring action by the Planning and Zoning Commission until such time a meeting can be properly publicized, and hearings conducted. It is difficult to establish a date on which we would lift the stay until we have further guidance pertaining to the stay-at-home-order or other information related to the safety measures enacted during this crisis. I would suggest we set June 1, 2020 as the re-instatement date of all Planning and Zoning protocols.

All other meetings such as the Tree Board and HAEDC can be placed in hold by the Administrator until further notice.



## Agenda Item Summary

**Meeting date:** April 13, 2020

**Subject:** Set Date for Council and Staff Budget Work Session

**Recommendation:** Designate date and time

---

### Background Information:

**Briefed by:** City Administrator Gary Emry

**Summary:** The initial review of the department budgets with Gary and Jason is scheduled for the first week of May. Staff would recommend the Council meet with the department heads in mid-May to discuss the 2021 budget based on the schedule below.

If necessary, this meeting can utilize the Zoom video meeting format.

<b>Department</b>	<b>Department Head</b>	<b>Start</b>	<b>End</b>	<b>Total</b>
Public Library	Melissa Carlson	tbd	tbd	30 min.
Golf	Grady Pauls & Mike Hulteen	tbd	tbd	30 min.
Parks & Rec	Mike Hulteen	tbd	tbd	30 min.
Utilities	Scott Robertson	tbd	tbd	45 min.
Street	Scott Robertson	tbd	tbd	30 min.
EMS / Fire	Russ Buller	tbd	tbd	45 min.
Police	Doug Schroeder	tbd	tbd	30 min.
Admin	Jason Thrasher	tbd	tbd	30 min.

**Attachment:** 2021 Budget Calendar



2021 Budget Calendar

March						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

March - Notes	
13th - Begin budget process	
Jason sends instructions and spreadsheets to department heads.	

April						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

April - Notes	
13th - Set Council budget meeting dates	
17th - Department budgets back to Jason	

May						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

May - Notes	
6th - Department Head Budget Meetings w/ Jason & Gary	
11th - Regular City Council Meeting	
Mid May - Budget Meetings with City Council	
21st - Jason Budget Workshop (Wichita)	

June						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

June - Notes	
8th - Regular Council Meeting	
15th - Receive Valuation from County	
19th - Complete Tax Lid Calculation	

July						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

July - Notes	
13th - Council Meeting - Approves Budgets (City and Land Bank) for Publication	
13th - Set Date and Time for Public Hearing	
13th - Council Approves CIP	
17th - Budget Hearing Notices are published in Hesston Record	

August						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August - Notes	
10th - Regular Council Meeting - Budget Public Hearing	
10th - Adopt Budgets (City & Land Bank)	
25th - File Budgets with County and State	



## **Agenda Item Summary**

**Meeting date:** April 13, 2020

**Subject:** Budget discussion COVID-19

**Recommendation:** Discuss budget practices during COVID-19 event

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### **Background Information:**

**Briefed by:** City Administrator Gary Emry

**Summary:** Discuss impact of COVID-19 pandemic for 2020 budget and 2021 budget preparation.



## **Agenda Item Summary**

**Meeting date:** April 13, 2020

**Subject:** Adjourn Meeting

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At the conclusion of the agenda the Mayor can request a motion to adjourn the meeting.

**Next Regular Council Meeting:** May 11, 2020