EL DORADO CITY COMMISSION - WORK SESSION AGENDA
CITY HALL – 220 E. FIRST AVENUE
May 1, 2024 - 5:00 PM

Work Session Discussion Items:

a. HumanKind Ministries Presentation
b. Butler County Emergancy Management Presentation
c. Commission Strategic Priorities
d. BG Stadium Improvements Financing Plan

Regular Agenda Preview:

a. Items to be Placed on the Consent Agenda
    i. Meeting Minutes from April 10, 2024 and April 15, 2024.
    ii. Library Board Appointment- Cecilia Housman term set to expire December 31, 2027
b. Items to be Placed on the Regular Agenda
    i. Central Avenue Improvements Project Bids
    ii. BG Stadium Financing

Reports:

a. City Commission Reports
b. City Manager Report

TO: City Commission
FROM: David Dillner, City Manager
SUBJ: HumanKind Ministries Presentation
DATE: May 1, 2024

Background:
Phil Benedict, the executive director of the El Dorado Chamber of Commerce, coordinated a recent forum for businesses to share their concerns about the impact of homelessness on the business community with the City. As a result of this meeting, Phil reached out to HumanKind Ministries of Wichita to discuss how this organization could serve as a possible provider to help the community with the homeless issue. Representatives from HumanKind Ministries will present its model and answer questions from the City Commission.

Attachments:

Policy Issue:
What are potential options to help the community address homelessness? The City Commission continues to discuss the topic of homelessness as many stakeholders in the community have expressed a desire to assist people without a place to live. The conversation to date has largely focused on the Butler Homeless Initiative's quest to open a permanent shelter somewhere in El Dorado. The Chamber of Commerce recently organized a forum to provide businesses with a venue to share their concerns about how the homeless population has put a strain on the business community. All stakeholders understand that something needs to be done to address the issue and help the individuals who are currently in need of shelter. The conversation with HumanKind Ministries is intended to explore options that may exist that could provide resources to help with this issue.

Fiscal Impact:
Presently, there is no fiscal impact as this is an informational presentation only.

Trade-offs:
NA

Staff Recommendation:
NA

Commission Action:
This presentation is for informational purposes only; no action is required of the City Commission at this time.

TO: City Commission
FROM: David Dillner, City Manager
SUBJ: Commission Strategic Priorities
DATE: May 1, 2024

Background:
At the start of the year, the City Manager initiated a conversation with the City Commission about the priorities the governing body wanted to focus on over the next several years. The City Manager took feedback from these discussions and produced a draft strategic plan for the City Commission's review. The plan is divided into five categories: Housing, Quality of Life, Economic Prosperity, Safety and Connectedness, and Community Beautification. The City Manager also prepared an exhibit that shows the strategic cycle and how the cycle works to produce the results desired by the City Commission.

Attachments:
1. The Strategic Cycle
2. DRAFT 2024 Commission Strategic Priorities

Policy Issue:
What are the City Commission's priorities for the next couple of years?Strategic planning and defining priorities is an important exercise for the City Commission for several reasons:

1. Guided Decision-Making: Strategic planning provides a framework that guides the decision-making process of the City. It helps the City Commission to focus on long-term goals rather than just reacting to immediate issues.
2. Resource Allocation: By defining priorities, the City Commission can allocate resources more effectively. This ensures that the most important areas, as identified in the strategic plan, receive the necessary funding and attention.
3. Community Alignment: A clear strategic plan, developed with community input, helps ensure that the actions of the governing body are aligned with the needs and desires of the residents. This alignment can increase public support and satisfaction.
4. Efficiency and Effectiveness: Prioritizing goals and activities helps to improve the efficiency of municipal operations. It allows the City Commission to focus efforts on what will have the greatest impact, avoiding wasteful spending or scattered approaches.
5. Accountability: When priorities are clearly defined, it becomes easier to measure progress towards those goals. This promotes transparency and accountability within the City Commission and towards the residents.
6. Long-Term Vision: Strategic planning involves looking ahead to future challenges and opportunities. It prepares the City to handle emerging trends and changes in the demographic or economic landscape, ensuring sustainable development.

For these reasons, having a robust strategic plan in place can significantly influence the effectiveness of governance and the overall quality of life in the community.

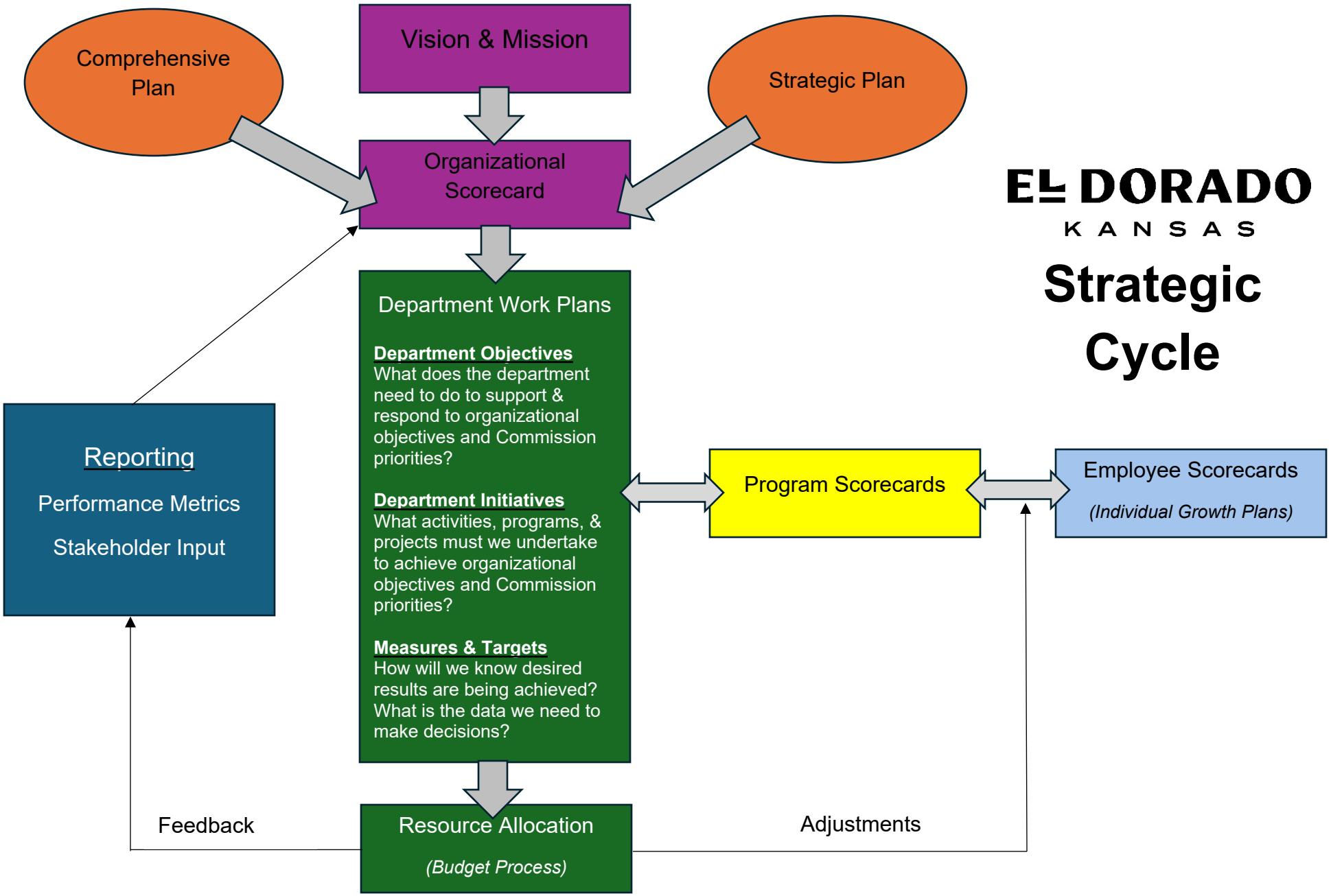
Fiscal Impact:
There is no immediate fiscal impact to defining the City Commission's priorities, although it will eventually lead to discussions about resource allocation that may have a fiscal impact on the operating and capital expenditures of the City.

Trade-offs:

NA

Staff Recommendation:
NA

Commission Action:
There is no action required of the City Commission as this is a discussion item. The City Commission may direct the City Manager to place this item on the regular agenda for consideration if the governing body feels that the priorities, as drafted, articulate the City Commission's priorities.


Comprehensive Plan
Vision & Mission
Strategic Plan
Organizational Scorecard
EL DORADO KANSAS
Strategic Cycle
Department Work Plans
Department Objectives
What does the department need to do to support & respond to organizational objectives and Commission priorities?
Department Initiatives
What activities, programs, & projects must we undertake to achieve organizational objectives and Commission priorities?
Measures & Targets
How will we know desired results are being achieved? What is the data we need to make decisions?
Reporting
Performance Metrics
Stakeholder Input
Program Scorecards
Employee Scorecards
(Individual Growth Plans)
Feedback
Resource Allocation
(Budget Process)
Adjustments

EL DORADO
KANSAS

Vision Statement

The City of El Dorado strives to create a desirable place to call home.

Mission Statement

Enhancing Quality of Life by Embracing Service Excellence

COMMISSION STRATEGIC PRIORITIES

Housing

- Identify available land for residential growth and determine infrastructure needs to support growth in these areas.
- Update codes and policies to facilitate additional residential development.
- Collaborate with developers and builders to increase middle-income housing opportunities.
- Diversify the housing stock to match local demographics and employee needs.
- Increase reinvestment in older housing stock, including vacant units.

Quality of Life

- Continue to invest in the existing park system.
- Expand the Bike and Pedestrian Trail.
- Develop stronger partnerships with organizations that coordinate recreation opportunities and community activities.
- Develop a plan for the Legion Park and R.I.O. Park.
- Invest in a new park space to serve west El Dorado.
- Create, maintain, and promote community events.

Economic Prosperity

- Market El Dorado's water capacity to industrial prospects requiring high volumes of water.
- Promote the available lots in the Business Park for commercial opportunities.
- Encourage development of West and North Industrial Parks.
- Work with downtown stakeholders to facilitate an environment conducive to business in the downtown district.
- Identify opportunities to assist with redevelopment opportunities along or adjacent to primary commercial corridors (Central Avenue, Main Street, 6th Street, etc.).

Safety and Connectedness

- Identify opportunities to strengthen the community and leverage community assets and resources.
- Outfit the Police and Fire Departments with the tools and training necessary to provide adequate services to protect life and preserve property.
- Implement municipal department programming to improve community outreach.

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- Create a community information and engagement plan to promote consistent dialogue with residents.

Community Beautification

- Continue to invest in beautification efforts and enhanced/shared signage along major corridors and in the downtown.
- Improve the visual appeal of the downtown through art murals and a banner program.
- Initiate strategies to reduce blight along primary corridors and in residential neighborhoods.

DRAFT

TO: City Commission
FROM: David Dillner, City Manager
SUBJ: BG Stadium Improvements Financing Plan
DATE: May 1, 2024

Background:

In March 2010, the City of El Dorado, Butler Community College, and USD 490 partnered to construct the jointly owned facility now known as BG Products Veterans Sports Complex ("BG Stadium"). The entities organized the Educational Facilities Authority of Butler County ("EFABC") to oversee the construction and operations of the stadium. Each of the entities contributed or facilitated the donation of funds equal to one-third of the stadium's total construction cost. The football field was installed as artificial turf with an expected useful life of ten years. The track surface was also installed as an artificial surface with a useful life of about ten years. Now, in 2024, these two components of BG Stadium are due for replacement as they have exceeded the useful life of the original products and are now beginning to lose functionality.

The EFABC recently solicited track and turf replacement quotes through the Greenbush Cooperative. Three pre-qualified vendors submitted quotes for consideration by the EFABC. The EFABC must select a vendor to replace the track and turf, although the Authority lacks the authority to finance the project through the issuance of any debt instrument. The EFABC also lacks sufficient cash reserves to finance the project, so it requires one of the three partnering entities to issue debt to facilitate the project's completion during the off-season. Both Butler Community College and USD 490 have cumbersome processes for issuing debt because both of these entities are educational institutions. The City's authority to issue its general obligation (G.O.) debt is simple by comparison. The City has the capacity to issue additional debt to support this project.

Attachments:

1. Revised Stadium Finance Plan Apr 24
2. Charter Ordinance No. 24
3. Municipal Agreement - BG Stadium Improvements

Policy Issue:

Should the City issue its G.O. bonds to finance track and turf improvements at BG Stadium?

Charter Ordinance No. 24 grants the City the authority to issue its G.O. bonds to finance the acquisition, demolition, or construction of public buildings. Per the Ordinance, the authority granted by Charter Ordinance No. 24 may also be exercised jointly or in cooperation with any other governmental unit upon such terms and conditions as shall be agreed upon by partnering governing bodies. The referenced ordinance gives the City the authority to issue its bonds for this purpose. The City's bond counsel agrees that the ordinance gives the City the authority to issue bonds to finance the proposed improvements at BG Stadium. From a legal perspective, the City confirmed its authority to issue its G.O. bonds on behalf of the EFABC.

The City Commission should consider the policy perspective of issuing bonds to finance the proposed improvements. Nothing prohibits the City from issuing bonds to finance the project. Even so, the City Commission must weigh the desirability of the City financing the project as a member of the EFABC. The City uses its bonding authority to finance public infrastructure projects necessary for the well-being of citizens and to expand or maintain critical infrastructure. Issuing bonds for this project will reduce the City's capacity to finance public infrastructure projects. It also places the City in a position to guarantee the bonds as general obligations of the City. Ultimately, El Dorado taxpayers are liable for the debt service in the event sufficient revenue is not produced to pay bondholders. The

transaction has several mechanisms that will reduce this risk, although it is important for the City Commission to understand that the EFABC or either of the other two entities (Butler Community College or USD 490) are legally liable for the debt service payments.

The City, as the owner of a third of BG Stadium, would issue bonds to finance improvements to a public building similarly to issuing bonds to finance improvements to an existing City-owned building (i.e., issuing bonds to finance improvements to City Hall). The City has as much of a stake in maintaining the playing surface of BG Stadium and the track as the other two entities because of its role as a partner in the EFABC. The process of issuing bonds for the City is simpler than the process for either of the other two entities.

Fiscal Impact:

Any G.O. debt issued by the City to support the track and turf replacement at BG Stadium would be backed by the full faith and credit of the City of El Dorado. This means the City is legally obligated to pay debt service from available revenues or cash reserves. The City agrees to increase taxes to cover any shortfall in revenues available to pay debt service if reserves are not available or insufficient for the debt service payment. While the debt is G.O. debt and backed by the full faith and credit of the City, the transaction is structured such that the principal and interest for the project will be paid from revenue generated from donations and sponsorships received by the EFABC. The three entities will pay any shortfall in donations or sponsorships equally. Under this structure, the City will only backstop the entire debt service payment in legal terms. The three entities will pay any shortfall to ensure bondholders receive payment for outstanding debt obligations.

The track and turf replacement is estimated to cost about $1.34 million. Presently, the City of El Dorado has about $26.7 million in statutory debt authority available. The project will have little impact on the City's ability to finance public infrastructure projects or other municipal needs that may arise in the foreseeable future. The City plans to provide temporary financing for the project from its cash reserves. Once construction is completed, the City will finance the project with the issuance of G.O. bonds in the principal amount of about $982,555. The remaining balance of $357,445 will be funded from proceeds held by the Butler Community College Foundation. The proposed finance plan will allow the EFABC to retain $350,000 of its long-term funding for future needs.

The annual debt service payment is projected to average $130,980 over the duration of the bonds. The EFABC does not anticipate a debt service deficit until 2032 based on current pledges committed to this project. The projected deficit is $43,836 in 2032, $114,293 in 2033, and $109,673 in 2024. These deficit figures are subject to change based on the commitment of additional pledges at any time during the financing period. The City developed three scenarios to fund the projected deficit. All three entities would contribute equally to any deficit in the annual debt service payment as shown in **Scenario A** in the attached exhibit. Butler Community College and USD 490 would contribute equally to any deficit in **Scenario B**. Finally, in **Scenario C,** all three entities would contribute to the debt service deficit based on each entity's use of the stadium.

The average annual liability for the City in Scenario A is $29,756 (total projected liability of $89,267) and the average annual liability in Scenario C is $4,463 (total projected liability of $13,390). These potential liabilities would be funded from general operating expenses. The City has no liability in Scenario B because it would not participate in the deficit; Butler Community College and USD 490 would contribute to the deficit in this scenario equally.

Trade-offs:

One of the other two entities will need to finance the project if the City elects not to issue its bonds to finance the project. This would delay the improvements until next year so that the College and School

District could obtain the authority to issue bonds for the project. The track and turf have reached their useful life and need to be replaced as soon as possible. Deferring the project will not make the need for replacement go away and will likely lead to a higher cost for the replacement. The City's bonding authority provides the most flexibility and allows the project to continue on a timeline that meets the needs of the EFABC and its member institutions.

Another factor to consider is the City's participation in any potential future liability concerning the annual debt service payment. BG Stadium was built under a partnership between the three entities. By agreeing to participate in any potential liability, the City will make a good faith demonstration to maintain the partnership. Continuing the partnership is the best way to maintain this important asset to the community. Ultimately, the City is legally liable for the annual debt service payments and any possible deficit if G.O. bonds are issued to finance the project.

Staff Recommendation:
Staff recommends proceeding with the proposed financing structure, whereby the City will issue its G.O. bonds to finance the track and turf replacement project over the next ten years. Management believes that the City's bond counsel structured the transaction with sufficient safeguards to protect the City and taxpayers from a necessary tax increase to override a possible default scenario if sufficient revenues are not collected.

Commission Action:
Management needs the City Commission to provide guidance on the proposed financing plan so that final documents may be drafted for consideration.

Project: BG Stadium Track and Turf Replacement Project **Est. Interest Rate:** 4.20% **Term (in yrs):** 10

Principal Amount: $1,340,000

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Balance	$ 582,873	$ -	$ 287,000	$ 224,672	$ 170,054	$ 132,117	$ 98,274	$ 68,684	$ 43,399	$ 22,524	$ -	$ -
Donations												
BG Products	$ -	$ 150,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ -	$ -	$ -
Dondlinger	$ 68,000	$ 32,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pepsi	$ 46,572	$ 22,500	$ 22,500	$ 22,500	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ -	$ -
Premier Foods	$ -	$ 72,500	$ 12,500	$ 12,500	$ 12,500	$ 12,500	$ 12,500	$ 12,500	$ 12,500	$ 12,500	$ -	$ -
HF Sinclair	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ -	$ -
Donations Subtotal	$ 124,572	$ 287,000	$ 95,000	$ 95,000	$ 102,500	$ 102,500	$ 102,500	$ 102,500	$ 102,500	$ 52,500	$ -	$ -
Total Resources	**$ 707,445**	**$ 287,000**	**$ 382,000**	**$ 319,672**	**$ 272,554**	**$ 234,617**	**$ 200,774**	**$ 171,184**	**$ 145,899**	**$ 75,024**	**$ -**	**$ -**
Debt Service Payment	$ -	$ -	$ 157,328	$ 149,618	$ 140,438	$ 136,343	$ 132,090	$ 127,785	$ 123,375	$ 118,860	$ 114,293	$ 109,673
Expense Total	**$ -**	**$ -**	**$ 157,328**	**$ 149,618**	**$ 140,438**	**$ 136,343**	**$ 132,090**	**$ 127,785**	**$ 123,375**	**$ 118,860**	**$ 114,293**	**$ 109,673**
Surplus/(Deficit)	$ 707,445	$ 287,000	$ 224,672	$ 170,054	$ 132,117	$ 98,274	$ 68,684	$ 43,399	$ 22,524	$ (43,836)	$ (114,293)	$ (109,673)
Scenario A - All Entities Contribute Equally to Deficit										$ 14,612	$ 38,098	$ 36,558
Scenario B - BCC & USD Contribute Equally to Deficit										$ 21,918	$ 57,146	$ 54,836
Scenario C - All Entities Contribute Based on Usage	*(see schedule below)*											

Assumptions:

City provides initial capital for project at no interest to EFABC.
G.O. (tax-exempt, bank qualified) Bond issued with a 10-year maturity with average interest rate of 4.2%.
First bond payment due beginning in 2025 with final payment in 2034 with roughly equal annual debt service.
Interest due each May 1 and November 1, beginning May 1, 2025.
Principal due each November 1, beginning November 1, 2025.
Bond payment averages $130,980 per year; subject to change based on interest rate at issuance.
Allowance for EFABC Reserve Balance of $350,000 to be retained by BCC Foundation at end of project.
Additional donations/sponsorships would reduce the outstanding liability for the entities.

Starting Balance	$ 582,873	
Dondlinger	$ 68,000	
Pepsi	$ 46,572	
HF Sinclair	$ 10,000	
Ending Balance	$ 707,445	
less	$ 350,000	Amount reflects EFABC Reserve
Reimbursement to City	$ 357,445	
City Temp	$ 1,340,000	Principal amount of project; City to provide
G.O. Bond	$ 982,555	Amount to be financed with the City's G.O. Bonds
Foundation	$ 357,445	Amount to be paid from the Foundation's balance

Scenario C - All Entities Contribute Based on Usage

	BCC	USD	City	Total
	50%	45%	5%	
2028	$ -	$ -	$ -	$ -
2029	$ -	$ -	$ -	$ -
2030	$ -	$ -	$ -	$ -
2031	$ -	$ -	$ -	$ -
2032	$ 21,918	$ 19,726	$ 2,192	$ 43,836
2033	$ 57,146	$ 51,432	$ 5,715	$ 114,293
2034	$ 54,836	$ 49,353	$ 5,484	$ 109,673
Total	$ 133,900	$ 120,510	$ 13,390	$ 267,801

Gilmore & Bell, P.C.
06/29/2020

(Published in ***Butler County Times – Gazette*** on July 11, 2020 and July 18, 2020)

CHARTER ORDINANCE NO. 24

A CHARTER ORDINANCE EXEMPTING THE CITY OF EL DORADO, KANSAS, FROM THE PROVISIONS OF K.S.A. 12-1736 ET. SEQ. AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISIONS ON THE SAME SUBJECT RELATING TO PUBLIC BUILDING IMPROVEMENTS AND THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING FOR SAID IMPROVEMENTS.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas (the "Act"), provides that cities may exercise certain home rule powers, including passing charter ordinances which exempt such cities from non-uniform enactments of the Kansas Legislature; and

WHEREAS, the City of El Dorado, Kansas (the "City") is a city, as defined in the Act, duly created and organized, under the laws of the State of Kansas; and

WHEREAS, K.S.A. 12-1736 and K.S.A. 12-1737 are part of an enactment of the Kansas Legislature (K.S.A. 12-1736 *et seq.*) relating to public building improvements and the issuance of bonds for such purposes, which enactment is applicable to the City, but is not uniformly applicable to all cities within the State of Kansas; and

WHEREAS, the governing body of the City desires, by charter ordinance, to exempt the City from the provisions of K.S.A. 12-1736 and K.S.A. 12-1737, and to provide substitute and additional provisions therefor.

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

Section 1. Exemption. The City, by virtue of the powers vested in it by the Act, hereby elects to exempt itself from and make inapplicable to it the provisions of K.S.A. 12-1736 and K.S.A. 12-1737, and shall be governed by the substitute and additional provisions contained herein.

Section 2. Acquisition, demolition or construction of public buildings; sites; cooperating governmental units. The City may erect or construct, acquire by gift, purchase, condemnation or lease a public building or facilities and procure any necessary site therefor by gift, purchase or condemnation and may alter, demolish, repair, reconstruct, remodel, replace or make additions to, furnish and equip a public building or facility located on such site. The authority herein conferred may also be exercised jointly or in cooperation with any other governmental unit so empowered, upon such terms and conditions as shall be agreed upon by the governing body of the city and the governing body of such cooperating governmental unit.

Section 3. Methods of financing authorized; issuance of bonds; tax levy, use of proceeds; protest petition and election; investment of fund; issuance of no-fund warrants. The governing body of the City may, for the purposes authorized and provided by the foregoing section:

(a) Receive and expend gifts;

(b) receive and expend grants-in-aid of state or federal funds;

(c) issue general obligation bonds of the City;

(d) levy an annual tax of not more than two mills, which tax levy may be made for a period not exceeding 10 years upon all taxable tangible property in such city for the purpose of creating a building fund to be used for the purposes herein provided and to pay a portion of the principal and interest on bonds issued by such city under the authority of K.S.A. 12-1774, and amendments thereto;

(e) issue no-fund warrants;

(f) use moneys from the general operating fund or other appropriate budgeted fund when available;

(g) use moneys received from the sale of public buildings or buildings and sites; or

(h) combine any two or more of such methods of financing for the purposes herein authorized except that the City shall first use funds received from the payment of insurance claims for damages sustained by any such public building before resorting to methods of financing herein authorized.

Before issuing its general obligation bonds to pay the costs of public building improvements authorized and provided by ***Section 2*** hereof, the governing body of the City shall adopt a resolution describing the type of public building improvement to be provided for and the amount of general obligation bonds to be issued. Such resolution may contain, but is not required to contain, a provision that the issuance of the bonds be subject to: (a) publication of such resolution one time in the official City newspaper, and if within 30 days after the date of publication of the resolution, a petition in opposition to the issuance of the bonds, signed by not less than 10% of the qualified electors of the City, is filed with the City Clerk, the City shall not have the authority to issue the bonds until such question is submitted to the electors of the City at a special election called for that purpose or at the next general election and approved by a majority of the electors of the City voting at such election; or (b) approval by a majority of the electors of the City voting on such question at a special election called for that purpose or at the next general election. If such resolution does not contain a provision described in the foregoing ***subsection (a)*** or ***subsection (b)***, or if such resolution does contain a provision described in the foregoing ***subsection (a)***, but no protest is filed as described in ***subsection (a)***, the City may proceed to issue the bonds. Any election required by this section shall be conducted in the manner set forth in K.S.A. 10-120 by the election officer of Butler County. General obligation bonds authorized by this section shall be issued, sold, delivered and retired in accordance with the provisions of the general bond law except as herein otherwise expressly provided.

No levies shall be made for the purpose of creating a building fund under the provisions of this section until a resolution authorizing the making of such levies is adopted by the governing body of the City. Such resolution shall state the specific purpose for which the tax levy is made, the total amount proposed to be raised and the number of years the tax levy shall be made. The resolution shall be published once each week for two consecutive weeks in the official City paper. After publication, the levies may be made unless a petition requesting an election upon the question of whether to make the levies is filed in accordance with this section. Such petition shall be signed by electors equal in number to not less than 10% of the electors who voted at the last preceding regular City election as shown by the poll books, is filed with the City Clerk within 60 days following the last publication of the resolution. If a valid petition is filed, the governing body shall submit the question to the voters at an election called for that purpose or at the next regular City election.

The levy authorized by this section shall be in addition to and not limited by any other act authorizing or limiting the tax levies of the City. The building fund may be used for the purposes provided by this section at any time after the second levy has been made. If there are insufficient moneys in the building fund for expenditures for such purposes, the governing body of the City may issue bonds of the City in the manner provided by the general bond law of the state and in an amount which, together with the amount raised by the tax levy authorized by this act, will not exceed the total amount stated in the resolution

creating such fund. Cities are hereby authorized to invest any portion of the special building fund which is not currently needed in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein or in direct obligations of the United States government maturing or redeemable at par and accrued interest within three years from date of purchase, the principal and interest whereof is guaranteed by the government of the United States. All interest received on any such investment shall upon receipt thereof be credited to the special building fund.

No-fund warrants issued under the authority of this section shall be issued in the manner and form and bear interest and be redeemed as prescribed by K.S.A. 79-2940, and amendments thereto, except that they may be issued without the approval of the state board of tax appeals and without the notation required by K.S.A. 79-2940, and amendments thereto. The governing body of the City issuing such warrants shall levy a tax for the first tax levying period after such warrants are issued, sufficient to pay such warrants and the interest thereon. All such tax levies shall be in addition to all other levies authorized or limited by law, and none of the tax limitations provided by article 19 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, shall apply to such levies.

Section 4. Severability. If any provision or section of this Charter Ordinance is deemed or ruled unconstitutional or otherwise illegal or invalid by any court of competent jurisdiction, such illegality or invalidity shall not affect any other provision of this Charter Ordinance. In such instance, this Charter Ordinance shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 5. Effective Date. This Charter Ordinance shall be published once a week for two consecutive weeks in the official City newspaper, and shall take effect sixty (60) days after final publication, unless a petition signed by a number of electors of the City equal to not less than ten percent (10%) of the number of electors who voted at the last preceding regular City election shall be filed in the office of the City Clerk demanding that this Charter Ordinance be submitted to a vote of the electors, in which event this Charter Ordinance shall take effect when approved by a majority of the electors voting at an election held for such purpose.

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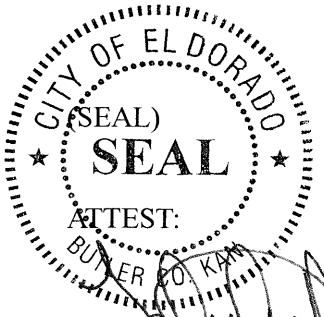
PASSED with at least a two-thirds (2/3) vote of the entire governing body of the City of El Dorado, Kansas, on July 6, 2020 and **APPROVED AND SIGNED** by the Mayor.



(SEAL)

ATTEST:

Clerk

Vice Mayor

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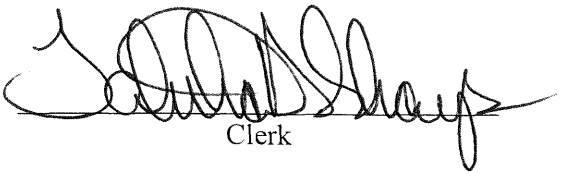
CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original Charter Ordinance No. 24; that was passed by the governing body on July 6, 2020; that the record of the final vote on its passage is found on page _____ of journal _____.

DATED: July 6, 2020.



Clerk

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MUNICIPAL AGREEMENT – BG STADIUM IMPROVEMENTS

THIS AGREEMENT, dated as of the last date of execution hereof, is made and entered into by and among the City of El Dorado, Kansas (the "City"), Butler County, Kansas Community College (the "College"), Unified School District No. 490, Butler County, Kansas (El Dorado) (the "District"), and the Educational Facilities Authority of Butler County (the "Authority"), each a "Party" and collectively referred to as the "Parties." This Agreement is entered into pursuant to K.S.A. 12-2908, as amended, for the purpose of facilitating and administering certain improvements to the public athletic facility known as BG Products Veterans Sports Complex (the "Stadium"). Each Party hereto is a municipality as set forth in K.S.A. 12-2908 and is authorized to perform the governmental service, activity or undertaking described herein.

RECITALS:

WHEREAS, the City, the College and District have previously created the Authority pursuant to an Interlocal Agreement dated as of March 1, 2010 (the "Interlocal Agreement"); and

WHEREAS, pursuant to the Interlocal Agreement, the Authority is responsible for the development, operation, improvement, renovation and repair of the Stadium; and

WHEREAS, the Parties have identified a need for certain capital improvements to the Stadium, including but not limited to the replacement of the synthetic field turf playing surface and all improvements related thereto at the estimated cost of $[1,300,000] (the "Improvements"); and

WHEREAS, pursuant to K.S.A. 12-1736 *et seq*, as amended by Charter Ordinance No. 24 of the City (collectively the "Act"), the City is authorized to issue general obligation bonds for the purpose of making improvements to public buildings and facilities; and

WHEREAS, the Stadium is a public facility and the City is authorized to issue general obligation bonds (the "Bonds") under the Act for the purpose of financing the costs of the Improvements; and

WHEREAS, the governing body of each Party deems it necessary and advisable to enter into this agreement to set forth the Parties' rights and obligations with respect to financing and construction of the Improvements and the payment of the Bonds.

NOW, THEREFOR, in consideration of the mutual covenants and agreements contained herein, the sufficiency of which consideration is hereby acknowledged by each Party, the Parties hereby agree as follows:

Section 1. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms in this Agreement shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

"Bond Resolution" means collectively the ordinance and resolution of the City authorizing the issuance and prescribing the form and details of the Bonds.

"Bonds" means the general obligation bonds of the City, including any bonds issued to refund the Bonds.

"Budgeted Funds" means all funds budgeted and appropriated by the City, College or District for Debt Service Requirements pursuant to the provisions of ***Section 6*** hereof.

"Bylaws" means duly adopted Bylaws of the Authority, as certified by the Secretary-Treasurer of the Authority on October 13, 2010.

"Cash Basis Law" means K.S.A. 10-1101 *et seq*., as amended.

"Commencement Date" means the date letting of the first Procurement Contract.

"Debt Service Period" means, following the issuance of the Bonds, the eighteen (18) month period beginning each Valuation Date.

"Debt Service Requirements" means the aggregate amount necessary to pay the debt service on the Bonds during each Debt Service Period.

"External Agreements" means any current and future contracts, pledge agreements, sponsorship agreements or other agreements entered into by any of the Parties, the revenues derived from which shall be used for Stadium purposes, a current listing of which is set forth on ***Exhibit A*** hereto.

"External Funds" means all funds of the Authority that do not constitute Budgeted Funds and are available to pay Debt Service Requirements, including funds derived from the External Agreements.

"Foundation" means [description of foundation], which is authorized to hold External Funds on behalf of the Authority.

"Legislative Action" means each Party's ordinance or resolution authorizing the execution of this Agreement.

"Notice of Insufficiency" means a notice provided by the Authority to the other Parties that, as of the stated Valuation Date, the market value of the External Funds is insufficient to pay the debt service on the Bonds for the Debt Service Period.

"Notice Address" means with respect to the following entities:

(a) To the City at:

City of El Dorado
City Hall
220 East 1st Ave.
El Dorado, Kansas 67042
Attn: City Clerk

(b) To College at:

Butler Community College
901 S. Haverhill Rd.
El Dorado, Kansas 67042
Attn: Vice President for Finance

(c) To District at:

Unified School District No. 490, Butler County, Kansas (El Dorado)
Office of the Board of Education
124 W. Central Ave.
El Dorado, Kansas 67042
Attn: Board Clerk

"Stadium" means the athletic and recreational facility known as the BG Products Veterans Sports Complex.

"Procurement Contracts" means all contracts and/or agreements entered into in furtherance of the acquisition, construction and equipping of the Improvements.

"Shortfall Amount" means the amount of funds necessary, when combined with available Transferred Funds, to pay the debt service requirements on the Bonds in the applicable Debt Service Period, which Shortfall Amount shall be apportioned evenly to the City, the College and the District, regardless of the originating source of External Funds.

"Shortfall Event" means a determination that the market value of all External Funds on a Valuation Date is insufficient to pay the Debt Service Requirements.

"State" means the State of Kansas.

"Transferred Funds" means funds transferred from or on behalf of the Authority to the Trustee for the payment of Debt Service Requirements.

"Trustee" means the Trustee and paying agent for the Bonds, which shall be determined by the City and shall at all times be authorized to act as fiscal agent for the Bonds under the general bond law of the State; provided that the City shall be authorized to hold Transferred Funds in trust for subsequent transfer to the Trustee.

"Valuation Date" means, following the issuance of the Bonds, each June 1 (or the first succeeding business day thereafter).

Section 1. Term of Agreement. This Agreement shall become effective on the Commencement Date and remain in place for so long as any amounts are owed hereunder, which payment obligation may survive the retirement of the Bonds.

Section 2. Acquisition of the Improvements. The City shall be responsible and provide for the acquisition, construction and equipping of the Improvements in accordance with plans and specifications therefor. The City shall be authorized to enter into the Procurement Contracts upon such terms as are acceptable to each Party, which approval shall be conclusively evidenced by passage of a motion or adoption of a resolution therefor at a duly held meeting of the Authority. Prior to the issuance of the Bonds, the City may use available funds to pay the costs of the Improvements, which costs shall be reimbursable from the proceeds of the Bonds.

Section 3. Financing of the Improvements; Issuance of the Bonds. Subject to official action of the governing body of the City, the City shall issue the Bonds in an amount not-to-exceed $[1,300,000] (exclusive of any capitalized interest and costs of issuance) to permanently finance the costs of the Improvements. The Bonds shall mature not later than [11] years from the date of issuance and the issuance thereof shall be subject to such other economic parameters as may be set forth in each Party's Legislative Action, which economic

parameters shall be identical.

Section 4. Repayment of the Bonds; External Funds. The Parties contemplate that all or a portion of the moneys necessary to pay the Debt Service Requirements shall be provided from External Funds derived from the External Agreements. The Authority shall have fiscal control over the External Funds and all External Funds applied to Debt Service Requirements shall be credited equally among the City, the District and the College.

Section 5. Application of External Funds; Timing of Fund Transfers. Following the issuance of the Bonds, the City shall provide the Authority with a debt service schedule setting forth the Debt Service Requirements. Prior to each Valuation Date, the Authority shall transfer or shall cause to be transferred such External Funds as it shall determine prudent to the Trustee (or to the City for subsequent transfer to the Trustee). Upon transfer, such External Funds shall constitute Transferred Funds and shall be restricted payment of Debt Service Requirements.

Section 6. Shortfall of External Funds; Appropriation Request. On each Valuation Date, if the amount of External Funds held by the Trustee (or by the City for subsequent transfer to the Trustee) is insufficient to pay the Debt Service Requirements, the Authority shall determine that a Shortfall Event has occurred and shall provide a Notice of Insufficiency to the other Parties at the applicable Notice Address. The Notice of Insufficiency shall include the Shortfall Amount. Upon the receipt of a Notice of Insufficiency, each of the City, the College and the District shall include in its next succeeding annual budget a request for an appropriation of such funds as will be sufficient, when combined with Transferred Funds, to pay the Debt Service Requirements. All funds actually appropriated by each of the City, the College and the District for such purpose shall constitute Budgeted Funds and shall be restricted for payment of Debt Service Requirements. The Parties recognize and acknowledge that each Party's covenant to appropriate Budgeted Funds under this paragraph is subject to annual appropriation under the Cash Basis Law of the State.

Section 7. Failure to Appropriate. Notwithstanding any provision of the Interlocal Agreement, this Agreement or any other agreement, if, upon receipt of a Notice of Insufficiency, any of the City, the College or the District fail to budget and appropriate sufficient funds to pay the Debt Service Requirements as set forth in the Notice of Insufficiency, such Party shall be prohibited from utilizing the Stadium until such payment has been made, which prohibition shall extend to all athletic or recreational programming and activities over which such non-appropriating Party has scheduling or operating control. Further, in the event that any of the City, the District or the College pay more than their allocable share of any Debt Service Requirements, such amounts may be recoverable from any such Party not paying an allocable share of Debt Service Requirements, which amount shall be payable from any lawfully available funds of the non-paying Party. This covenant shall expressly survive the retirement of the Bonds and this Agreement shall not terminate so long as any amounts owed hereunder remain outstanding. For the avoidance of doubt, to the extent External Funds are not sufficient to pay Debt Service Requirements, each Party covenants to be responsible for an equal amount of such shortfall and assumes a duty of good faith and fair dealing in determining any amounts owed hereunder.

Section 8. Conformity with Existing Documents. Except as may be explicitly set forth herein, nothing in this Agreement is intended to modify, amend or alter the Interlocal Agreement, the Bylaws, or any other agreement between or among the Parties.

Section 9. Further Authority. The officers and officials of the Parties are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Agreement and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 10. Electronic Transactions. The transactions described in this Agreement may be conducted, sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 11. Severability. If any section or other part of this Agreement, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Agreement.

Section 12. Amendments. This Agreement may be amended at any time upon the consent of all Parties.

Section 13. Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year written below

CITY OF EL DORADO

_____
Mayor

_____
Date

Attest:

_____
City Clerk
(SEAL)

BUTLER COMMUNITY COLLEGE

_____
President

_____
Date

Attest:

_____
Secretary
(SEAL)

UNIFIED SCHOOL DISTRICT. NO. 490

_____
President

_____
Date

Attest:

_____
Clerk
(SEAL)

EDUCATIONAL FACILITIES AUTHORITY OF BUTLER COUNTY

_____
Chair

_____
Date

Attest:

_____
Secretary

Exhibit A

Listing of External Agreements

- Beverage Sales and Sponsorship Agreement between PepsiCo Beverage Sales, LLC and Butler Community College, dated December 19, 2022

- Agreement between HollyFrontier El Dorado Refining and the Educational Facilities Authority of Butler County, dated September 30, 2022

- [Current/Revised BG Agreement -note: understand Ray Connell to produce]

- [Add any other agreements, as applicable]