EL DORADO CITY COMMISSION - REGULAR MEETING AGENDA
CITY HALL – 220 E. FIRST AVENUE
January 5, 2026 - 5:30 PM

1. **Call to Order**
2. **Roll Call**
3. **Invocation** - Debbie McCluer, First Church of the Nazarene
4. **Pledge of Allegiance**

Proclamations and Recognition

Personal Appearances. Personal appearances are opportunities for organizations or citizens to make special presentations before the City Commission. Such appearances are scheduled in advance of the meeting by calling City Clerk Emerald Ashlock at (316) 321-9100 by 5:00 pm the Tuesday preceding the meeting. Presentations are limited to ten minutes. Any presentation is for information purposes only; no action will be taken.

Public Comments. Persons who wish to address the City Commission regarding any matter that is under the jurisdiction of the City Commission may do so when called upon by the Mayor. Comments on personnel matters, matters pending in court, and land use matters are not permitted. Land use Public Hearings are held during Planning Commission meetings.

Consent Agenda *(Consent agenda items will be acted on by one motion unless a majority of the City Commission votes to remove an item for discussion and separate action.)*

5. Approval of the City Commission Work Session Minutes from December 10, 2025.
6. Approval of Special City Commission Meeting Minutes from December 15, 2025.
7. Approval of City Commission Meeting Minutes from December 15, 2025.
8. 2026 Cereal Malt Beverage Licenses for the following locations:
   Off Premises CMB:
   Sunny Stop West – 2575 W. Central Avenue
   Sunny Stop East – 301 E Central Avenue

Old Business

9. Consideration of a Finance Agreement with Frontier Development, LLC and El Dorado Inc. for the rehabilitation of 124 S. Main Street.

New Business

10. Consideration of Agreement No. 1179-25 for KDOT Surface Preservation Project

Discussion Items

Reports

11. City Commission and Advisory Board Updates

12. City Manager

Adjournment

13. Consideration of a motion to adjourn

EL DORADO SPECIAL SESSION **December 10, 2025**

The El Dorado City Commission met in a work session on December 10, 2025, at 5:00 p.m. in the Commission Room with the following present: Commissioner Andrew Tipton, Commissioner Syndee Scribner, Commissioner Leon Leachman, Commissioner Kendra Wilkinson, and City Manager David Dillner. Absent: Mayor Bill Young

VISITORS

Tabitha Sharp	Assistant City Manager	El Dorado, KS
Mike Holton	El Dorado Police Department	El Dorado, KS
Scott Rickard	Director of Engineering	El Dorado, KS
Elizabeth Blakely	Management Intern	El Dorado, KS
Emerald Ashlock	City Clerk	El Dorado, KS

CALL TO ORDER

Vice-Mayor Syndee Scribner called the December 10, 2025, meeting to order.

WORK SESSION DISCUSSION ITEMS

COMMMISSION PRIORITIES SURVEY

City Manager David Dillner stated that Commissioners received a priority survey in November for completion and return. He noted the importance of periodically reviewing and evaluating Commission priorities to determine whether adjustments are needed based on community conditions and public sentiment.

The City Commission reviewed its priorities and identified key areas of focus for the City Manager and staff moving forward.

STATE LEGISLATIVE AGENDA

City Manager David Dillner provided background on the League of Kansas Municipalities (LKM) annual Statement of Municipal Policy, which outlines statewide legislative priorities for Kansas municipalities. As a member of LKM, the city benefits from the League's support and advocacy during the legislative session.

ADVISORY BOARD AND COMMITTEE POLICY

City Manager David Dillner stated that he recommends adopting a comprehensive citywide policy for appointed boards and committees. He stated that such a policy should include clear criteria for board creation, standardized application and appointment processes, diversity and inclusion goals, term limits, conflict-of-interest provisions, and regular review or sunset clauses. The policy would provide direction on the use of boards and committees and clarify the City Commission's expectations for appointed members.

THE GREENS AT PRAIRIE TRAILS PLANNED DEVELOPMENT AND FINAL PLAT

City Engineer Scott Rickard presented the plat for the final unimproved portion of The Greens at Prairie Trails and a request for Amendment No. 2 to the Planned Development Overlay. He stated that the amendment aligns the overlay with the revised lot layout, confirms single-family detached housing for this phase, and updates dimensional standards.

FRONTIER DEVELOPMENT, LLC FINANCE AGREEMENT

City Manager David Dillner presented a request for the City to provide up to $150,000 in gap financing, partnered with El Dorado, Inc., for the 124 Lofts Project at 124 S. Main Street. The proposal includes a subordinated loan at 2% interest with balloon repayment and standard security. He noted that the decision balances downtown redevelopment benefits with the financial risk to the City.

REGULAR AGENDA PREVIEW

The City Commission reviewed the upcoming agenda for December 15, 2025.

COMMISSION REPORTS

There were no reports.

CITY MANAGER REPORTS

There were no reports.

ADJOURNMENT

Commissioner Kendra Wilkinson moved to adjourn the meeting at 7:06 PM.

Commissioner Leon Leachman seconded the motion.

Motion carried 4 – 0.

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City Clerk Emerald Ashlock	Mayor Bill Young

EL DORADO SPECIAL SESSION **December 15, 2025**

The El Dorado City Commission met in a special session on December 15, 2025, at 2:00 p.m. in the Commission Room with the following present: Mayor Bill Young, Commissioner Syndee Scribner, Commissioner Kendra Wilkinson, and City Manager David Dillner. Absent: Commissioner Leon Leachman and Commissioner Andrew Tipton

VISITORS

Tabitha Sharp	Assistant City Manager	El Dorado, KS
Scott Rickard	Director of Engineering	El Dorado, KS
Elizabeth Blakely	Management Intern	El Dorado, KS
Emerald Ashlock	City Clerk	El Dorado, KS
Kimberly Svaty	Gencur Svaty Public Affairs	Topeka, KS

CALL TO ORDER

Mayor Bill Young called the December 15, 2025, meeting to order.

SPECIAL SESSION DISCUSSION ITEMS

2026 LEGISLATIVE SESSION PREVIEW

Kimberly Svaty with Gencur Svaty Public Affairs gave a overview of the upcoming Legislative Session.

ADJOURNMENT

Commissioner Kendra Wilkinson moved to adjourn the meeting at 3:25 PM.

Commissioner Syndee Scribner seconded the motion.

Motion carried 3 – 0.

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City Clerk Emerald Ashlock Mayor Bill Young

EL DORADO CITY COMMISSION MEETING **December 15, 2025**

The El Dorado City Commission met in a regular session on December 15, 2025, at 5:30 p.m. in the Commission Room with the following present: Mayor Bill Young, Commissioner Andrew Tipton, Commissioner Syndee Scribner, Commissioner Leon Leachman, Commissioner Kendra Wilkinson, and City Manager David Dillner. Absent:

VISITORS

Tabitha Sharp	Assistant City Manager	El Dorado, KS
Scott Rickard	Director of Engineering	El Dorado, KS
Jeff Murphy	Deputy Police Chief	El Dorado, KS
Emerald Ashlock	City Clerk	El Dorado, KS
Liz Blakely	Management Intern	El Dorado, KS
Father John Lanzrath	St. John Catholic Church	El Dorado, KS
Zac Sundgren		El Dorado, KS

CALL TO ORDER

Vice Mayor Syndee Scribner called the December 15, 2025, meeting to order.

INVOCATION

Father John Lanzrath, St. John Catholic Church, opened the meeting with invocation.

PLEDGE OF ALLEGIANCE

The City Commission led the Pledge of Allegiance.

SWEARING IN OF THE NEW MEMBERS OF THE CITY COMMISSION

City Clerk Emerald Ashlock swore in Mayor Bill Young.

PROCLAMATIONS AND RECOGNITION

There were no proclamations or recognitions.

PERSONAL APPEARANCE

Mayor Bill Young opened the floor for Personal Appearances.

There were not Personal Appearances.

PUBLIC COMMENT

Mayor Bill Young opened the floor for public comments.

CONSENT AGENDA

Approval of City Commission Meeting Minutes from December 1, 2025.

Approval of the 2026 Fee Schedule Resolution of the City of El Dorado, Kansas.

Approval of Appropriation Ordinance No. 11-25 in the amount of $4,001,418.19.

Approval of 2026 Cereal Malt Beverage Licenses for the following locations:
On Premises CMB:
La Casita – 212 E. Central Avenue

Approval of the Financial Policies.

Commissioner Leon Leachman moved to approve the consent agenda.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5-0.

PUBLIC HEARING

CDBG 142 N MAIN STREET CLOSE OUT

Mayor Young opened the public hearing.

Stephany Marsh, Grant Administrator, gave a brief overview of the project and the closing out of the grant.

Commissioner Scribner asked if now that the grant is closed are other individuals allowed to apply for this grant.

City Engineer Scott Rickard stated that it will now be available for others to apply for.

Mayor Young closed the public hearing.

OLD BUSINESS

There was no old business.

NEW BUSINESS

CONSIDERATION OF THE CLOSE OT OF THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AT 142 N. MAIN STREET

City Engineer Scott Rickard stated that Rehabilitation work at 142 N Main Street has been completed in accordance with the approved project scope. Closing out the grant will not create any new ongoing operational costs for the City. Staff will complete the remaining reporting and record retention requirements for CDBG, using existing administrative capacity.

Commissioner Syndee Scribner moved close out Grant No. 21-CR-001

Commissioner Andrew Tipton seconded the motion.

Motion carried 5-0.

CONSIDERATION OF A RESOLUTION ADOPTING AN ADVISORY BOARD AND COMMITTEE POLICY AND ESTABLISHING ADMINISTRATIVE PROCEDURES AND GUIDELINES FOR IMPLEMENTATION THEREOF.

City Manager David Dillner stated that Many cities rely on appointed boards and committees to provide input on key issues, enhance civic engagement, and leverage resident expertise. However, over time, these bodies can proliferate without clear mandates, oversight, or performance metrics. State law may require certain boards (e.g., planning or zoning commissions), but most others are discretionary. The absence of a standardized framework can lead to governance confusion, uneven participation, duplication of efforts, or political favoritism.

Commissioner Kendra Wilkinson moved to approve a resolution adopting an advisory board and committee and policy and establishing administrative procedures and guidelines for implementation thereof.

Commissioner Leon Leachman seconded the motion.

Motion carried 5-0.

CONSIDERATION OF APPROVAL OF AMENDMENT NO. 2 TO THE PLANNED DEVELOPMENT OVERLAY FOR THE GREENS AT PRAIRIE TRAILS, AS PRESENTED, FINDING THAT IT IS CONSISTENT WITH THE PURPOSE OF THE PLANNED DEVELOPMENT DISTRICT, MAINTAINS COMPATIBILITY WITH SURROUNDING DEVELOPMENT, AND IS IN LINE WITH THE COMPREHENSIVE PLAN.

City Engineer Scott Rickard stated that This item covers the last unimproved portion of The Greens at Prairie Trails. The 2nd Addition reconfigures part of the original subdivision as a replat of Lots 12 through 17, Block B, Lots 1 through 20, Block C, Lots 1 through 14, Block D, Reserve D, and Reserve E, all in the Northwest Quarter of Section 36, Township 25 South, Range 5 East, Butler County, Kansas. Along with the plat, the applicant is requesting Amendment No. 2 to the existing Planned Development Overlay. The amendment matches the proposed 2nd addition and clarifies the dimensional standards and lot layout that will apply to this phase. The Planning Commission held a public hearing on November 20, 2025. They took comments from the applicant and nearby residents, discussed traffic, compatibility with the built portion of the neighborhood, reserves, and screening, and voted 6–0 to recommend approval of both Amendment No. 2 and the final plat, subject to correcting an internal street name. The Planning Commission minutes and staff memo are attached for your reference.

Commissioner Leon Leachman moved to approve Amendment No. 2 to the Planned Development overlay for the Greens at Prairie Trails, as presented, finding that it is consistent with the purpose of the Planned Development district, maintains compatibility with surrounding development, and is in line with the Comprehensive Plan.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5-0.

CONSIDERATION OF APPROVAL OF THE FINAL PLAT FOR THE GREENS AT PRAIRIE TRAILS 2ND ADDITION, INCLUDING THE DEDICATION OF THE RIGHTS OF WAY, EASEMENTS, AND RESERVES.

Commissioner Andrew Tipton moved to accept the final plat for the Greens at Prairie Trails 2nd Addition, including the dedications of rights of way, easements, and reserves.

Commissioner Leon Leachman seconded the motion.

Motion carried 5-0.

CONSIDERATION OF APPROVAL AUTHORIZING STAFF TO PROCEED WITH DEMOTION OF 610 Q. 10TH AVENUE IN ACCORDANCE WITH RESOLUTION NO. 3022.

City Engineer Scott Rickard stated that on September 15th the Commission adopted the Resolution of Findings directing repair or removal of 610 W 10th Ave within 90 days. If an owner fails to comply, the City is authorized to raze and remove the structure and assess costs back to the property as a special assessment.

Commissioner Syndee Scribner moved to authorize staff to proceed with demolition of 610 W 10th Ave. in accordance with Resolution No. 3022.

Commissioner Andrew Tipton seconded the motion.

Motion carried 5-0.

CONSIDERATION OF A RESOLUTION ADOPTING THE 2026 STATE LEGISLATIVE AGENDA FOR THE CITY OF EL DORADO, KANSAS.

City Manager David Dillner stated that The League of Kansas Municipalities (LKM) adopts an annual "Statement of Municipal Policy" that outlines general legislative priorities for municipalities throughout Kansas. The City, as a member of LKM, receives the support and assistance of the League in advocating for various municipal issues that arise during the legislative session. A State Legislative Agenda establishes the City Commission's priorities for the upcoming session. The agenda establishes the local issues that the City plans to advocate for during the session. These issues will likely be more specific to El Dorado than the general "Statement of Municipal Policy" the League prepares. The agenda serves as the City Commission's policy for legislative issues and provides clear direction to the City Manager and staff for advocacy efforts. The City recently contracted with Gencur Svaty Public Affairs to assist with legislative advocacy efforts. The State Legislative Agenda allows management to communicate the City's priorities for more effective advocacy. The document also provides transparency to the public and communicates the City's legislative priorities to a wider audience.

Commissioner Kendra Wilkinson moved to approve the resolution adopting the 2026 state legislative agenda for the City of El Dorado, Kansas.

Commissioner Leon Leachman seconded that motion.

Mayor Bill Young stated that the Commission had a Special Session this afternoon and our lobbyist presented a lot of great information.

Motion carried 5-0.

<u>DISCUSSION ITEMS</u>

COMMISSION TRAINING: CONFLICT OF INTEREST

City Manager David Dillner presented an overview of the Kansas laws concerning conflicts of interest pertaining to the City Commission.

<u>REPORTS</u>

CITY COMMISSION AND ADVISORY BOARD UPDATES

Commissioner Syndee Scribner wished everyone a Merry Christmas.

Commissioner Andrew Tipton encouraged everyone to apply to be on a board or a committee.

Mayor Young wished everyone a Merry Christmas.

CITY MANAGER REPORT

City Manager David Dillner stated that with the holidays coming up there will be a few days that operational hours will be changed. City Hall will be closed on December 25^{th}, December 26^{th} and

January 1st to allow the employees to spend the holidays with their families. He stated that trash pick up on those Thursday's will be on Wednesday.

City Manager Dillner stated that the City is having their annual employee Christmas party from 11:00 am – 2:00 pm and asked that the Commission join.

City Manager Dillner asked the Commission if they would like to discuss Mr. Owen's Central Avenue parking situation request tonight or if they would like to wait until the next until the next work session.

The Commission stated that they would like to discuss it at an upcoming meeting.

Mayor Young asked if we were doing the unlimited holiday trash pickup.

City Manager Dillner stated that with the exception to appliance citizens are allowed to put their extra trash next to their trash cans on the curb for pick up the week after Christmas.

ADJOURNMENT

Commissioner Syndee Scribner moved to adjourn the meeting at 6:34 p.m.

Commissioner Leon Leachman seconded the motion.

Motion carried 5 – 0.

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City Clerk Emerald Ashlock Mayor Bill Young

EL DORADO
KANSAS

TO:	City Commission
FROM:	Emerald Veatch, City Clerk/Executive Assistant
SUBJ:	2026 Cereal Malt Beverage Licenses for the following locations: <u>Off Premises CMB:</u> Sunny Stop West – 2575 W. Central Avenue Sunny Stop East – 301 E Central Avenue
DATE:	January 5, 2026

Summary:
NA

Attachments:

Funding Source:
NA

Operation Impact:
NA

Options/Alternatives:
NA

Staff Recommendation:
Staff recommends approving the CMB licenses as provided.

Commission Action:
This item is on the consent agenda and does not require separate action except if the City Commission wants to remove the item for further discussion and consideration.

EL DORADO
KANSAS

TO:	City Commission
FROM:	David Dillner, City Manager
SUBJ:	Consideration of a Finance Agreement with Frontier Development, LLC and El Dorado Inc. for the rehabilitation of 124 S. Main Street.
DATE:	January 5, 2026

Summary:
The City of El Dorado is considering entering into a financing agreement with Frontier Development, LLC and El Dorado, Inc. to provide $300,000 in gap financing for the downtown rehabilitation project at 124 S. Main Street. The loan, structured as a shared investment by the City and El Dorado, Inc., is intended to address remaining funding needs after all other sources have been exhausted. The City Commission must determine whether to approve the agreement under the terms presented.

The $4.38 million project, known as 124 Lofts, will convert a downtown property located at 124 S. Main Street into a mixed-use property with commercial space on the first floor and thirteen residential units on the upper stories. To date, the project has received commitments of over $3.0 million in loans and grants from several housing and historic preservation programs, including:

- $1,237,857 (State Historic Tax Credits)
- $700,000 (Moderate Income Revolving Loan Fund)
- $650,000 (Moderate Income Housing Grant)
- $347,100 (Kansas Housing Investor Credit)
- $100,000 (Historic Trust Fund)

No downtown project in El Dorado's history has developed a capital stack as complex as the one facilitated by Frontier Development, LLC. Failure to close on the property and commence construction will likely subject the developer (and indirectly the City) to the loss of a well-developed capital structure that will make redevelopment of the property extremely difficulty and perhaps even impossible. The property is in an active state of disrepair and blight, which will only progress without investment. The City may need to aggressively enforce its building and nuisance codes if the project does not proceed. This enforcement may result in the City condemning the structure and requiring its demolition, which may fall to taxpayers if the property owner does not comply with any enforcement orders.

Finally, the project supports the City's and Main Street's downtown revitalization goals, and aligns with El Dorado’s strategic objectives for downtown economic development and housing. Main Street's Master Plan recommends the development of upper-story housing with the goal of "increasing upper-story residential spaces by 5-10% over the next three years." Main Street's Downtown Master Plan specifically mentions the property at 124 S. Main Street by stating as follows:

> *"The Masonic building is the largest remaining non-restored building in our Historic District. Its return to full occupancy will have a hugely positive impact on the South Main Corridor and throughout the District. Rehabilitating this impressive building will uplift the South Main commercial area - encouraging further development and increasing value."*

The Comprehensive Plan also supports the redevelopment project with the following objectives:

Goal 4, Objective 4.2: "Increase and improve the supply of quality residential rental properties."
Goal 4, Objective 4.3: "Increase the supply of buildable lots and housing stock to improve housing opportunities at all price points."

The Comprehensive Plan also places a high priority on historic preservation. Goal 7 states, "Protect El Dorado's heritage by encouraging the preservation, restoration, and adaptive reuse of the community's historic buildings."

Attachments:

1. Frontier Development, LLC Loan Term Sheet
2. Financing Agreement with Frontier Development, LLC
3. Assignment of Plans and Specifications (Frontier Development, LLC)
4. Subordinate Mortgage Fixture Filing (FrontierDevelopment, LLC)
5. Promissory Note (Frontier Development, LLC)
6. UCC Filing Text

Funding Source:

This item was not reviewed by an advisory board, although the El Dorado Inc. Board of Directors voted unanimously to approve its participation in the financing agreement as presented. The primary concern voiced during the board's discussion referenced the concern for additional capital after construction commenced. The board approved El Dorado Inc.'s participation subject to the fact that Inc. would not provide any additional funds for the project beyond what was provided for in the agreement.

Operation Impact:

Should the City participate in the rehabilitation of 124 S. Main Street by providing gap financing? The City Commission must decide whether to authorize a financing agreement that commits the City of El Dorado to provide up to $150,000 in gap financing, in partnership with El Dorado, Inc., to Frontier Development, LLC for the completion of the 124 Lofts Project at 124 S. Main Street. The core issue is whether the City should participate in a subordinated loan structure to help bridge the project's funding shortfall, under terms that include a 2% interest rate, balloon repayment, and security instruments including a mortgage and UCC filings. The decision involves balancing economic development objectives with fiscal responsibility, as the City would be assuming financial risk to catalyze private investment in a key downtown property.

The City’s participation in this financing agreement does not automatically create a legal precedent requiring similar support for future projects. However, it may set a policy precedent or public expectation if not clearly framed. Therefore, the City should treat this transaction explicitly as a targeted economic development investment, guided by business analysis rather than as an entitlement. This specific request does not create a legal precedent for the following reasons:

- The loan is discretionary, negotiated on a case-by-case basis.
- There is no ordinance, resolution, or formal policy requiring the City to provide such financing in the future.
- The agreement contains specific conditions, protections, and performance benchmarks that distinguish it from any blanket funding commitment.

In addition, the proposed financing agreement provides risk mitigation strategies to minimize the City's risk of loss in this investment by taking the following actions with respect to this transaction:

- The funds are a subordinated, interest-bearing loan, not a grant—this aligns with investment principles.
- The agreement includes risk mitigation tools (e.g., lien priority, assignments, default triggers, balloon repayment). The project supports strategic community goals, such as downtown revitalization and housing supply, potentially yielding public and economic returns.
- Future participation should be based on:
    - Clear public benefit,
    - Evidence of a financing gap after other sources are used,
    - Ability to secure repayment, and
    - Performance milestones.

Options/Alternatives:
The maximum loan amount is $300,000, which will be split equally ($150,000 each) between the City and El Dorado, Inc. Annual interest will be charged against the loan at a rate of 2%, accrued but not paid until maturity or early repayment. Repayment will be a lump-sum, balloon payment due at sale, transfer, or after ten years, whichever occurs first. The risk to the City and El Dorado Inc. is mitigated by a subordinate mortgage, UCC filing, and asset assignment. The City will pay its share of the loan proceeds from the Economic Development Sales Tax Fund, which had a balance of $185,105 as of November 26, 2025. The loan is a "last in" financing transaction, meaning that the City's financial commitment to the project may be less than this maximum amount based on additional capital and/or grants allocated to the project and the project's construction cost.

Staff Recommendation:
The City Manager recommends approval of the financing agreement as presented. The loan provides a critical funding layer to enable project completion, while the City’s interests are protected through strong security instruments and disbursement conditions. The investment advances downtown revitalization with limited financial risk and supports broader community development goals.

Commission Action:
Commissioner ______ moves to approve the Financing Agreement between the City of El Dorado, El Dorado, Inc., and Frontier Development, LLC, as presented, and to authorize the City Manager to execute any documents necessary to secure the City's interest in the project.

Commissioner _____ seconded the motion.

10/17/2025

Draft Term Sheet

City of El Dorado / El Dorado, Inc. Joint Loan

Borrower (Lessor):

Frontier Development Group

Project:

124 Lofts Project

124 S Main, El Dorado, KS 67042

Loan Purpose:

To provide gap financing for eligible project costs related to the 124 Lofts Project. Funds will be disbursed only after all other identified sources of funding have been committed and expended, including contingency funds.

1. Loan Structure

Total Loan Amount	**Up to $300,000, to be split equally between the City of El Dorado and El Dorado, Inc.**
Interest Rate	2.00% fixed per annum
Term	10 years
Amortization	Interest accrues annually; principal and interest balloon payment due at maturity or upon sale/transfer of property, whichever occurs first.
Repayment	Single balloon payment of principal and accrued interest due at the earlier of: 10 years from closing date or sale/transfer of property.
Purpose	Gap financing to close remaining funding need after all other sources are utilized.

2. Disbursement Conditions

• Loan funds represent "last mover" money. Issued only after all other financing sources are secured and disbursed. For purposes of this agreement, "last mover" refers to the loan serving as gap financing prior to project completion and placement in service. The loan funds may be utilized before the issuance of state historic tax credits, which are distributed only after all eligible project expenses are paid and the property is placed in service. The Borrower may apply loan funds to final project expenses and will use proceeds from state historic tax credit equity to pay down debt once the credits are received.
• Borrower must use its contingency funds first within the project budget before accessing loan funds.

• Loan proceeds will be released directly to the Lessor upon verification of the final project financing gap

3. Contingencies and Protections

• All other project funding sources must be fully committed and documented prior to closing.
• Security: To be determined (may include subordinate mortgage/lien)
• Transfer / Sale Clause: Upon sale or conveyance of the property, the entire outstanding principal and interest are due immediately.
• Reporting: Borrower shall provide project progress updates and final financial documentation verifying completion and use of funds.

4. Governance and Administration

• Joint participation between the City of El Dorado and El Dorado, Inc.
• Each entity will fund 50% of the total loan amount and hold proportional rights to repayment.
• Administration, monitoring, and compliance coordinated by El Dorado, Inc. in partnership with the City.

5. Closing Requirements

Prior to closing, Borrower must provide:
• Proof of all other funding commitments
• Final project budget and sources/uses summary
• Executed construction contracts and timeline
• Evidence of contingency funds applied to project
• Signed loan documents, promissory note, and security instruments as required

6. Additional Terms

• No prepayment penalties apply.
• Borrower responsible for all legal, recording, and closing costs.
• Loan contingent upon City Commission and El Dorado, Inc. Board approval.

FINANCING AGREEMENT

This **FINANCING AGREEMENT** (this "Agreement") is made and entered into as of ____________ (the Effective Date), by and among:

The City of El Dorado, Kansas (the "City"),
El Dorado, Inc.; and
Frontier Development, LLC (the "Borrower").

The City and El Dorado, Inc. are collectively referred to as the Lenders. The Developer is the Borrower. The Parties agree as follows:

1. Loan; Purpose; Structure

1.1 Loan Amount. Lenders agree to make a loan to the Developer in an aggregate principal amount up to Three Hundred Thousand Dollars ($300,000), funded up to fifty percent (50%) by the City and fifty percent (50%) by El Dorado, Inc.

1.2 Loan Purpose. The Loan provides gap financing for the construction, completion, and placement into service of the project known as the 124 Lofts Project, located at 124 S. Main Street, Butler County, Kansas (the "Project").

1.3 Loan Documents. The Loan is evidenced and secured by:
(a) Promissory Note,
(b) Subordinate Mortgage, Assignment of Rents, Security Agreement, and Fixture Filing,
(c) UCC Article 9 Security Agreement,
(d) UCC-1 Financing Statement,
(e) Assignment of Plans, Specifications, Reports, and Contracts,
(f) Personal Guaranty,
(g) Completion Covenant (if applicable), and
(h) any other documents required by the Lenders.
These documents, collectively, are the Loan Documents.

1.4 Disbursement is Not Guaranteed. No Lender is obligated to disburse Loan proceeds until all conditions precedent have been satisfied to that Lender's sole discretion.

2. Loan Terms

2.1 Interest Rate. The Loan shall bear interest at **two percent (2.00%)** per annum, fixed.

2.2 Term. The Loan shall mature **ten (10) years** from the Closing Date.

2.3 Repayment; Balloon Structure. Repayment shall be due in a **single balloon payment**, equal to all outstanding principal and accrued interest, upon the earliest of:
(a) ten (10) years after the Closing Date,
(b) any sale, transfer, conveyance, or refinance of the Property,

(c) any unauthorized Transfer of Ownership of Borrower,
(d) any disposition of any material portion of the Collateral, or
(e) acceleration upon default.

2.4 Prepayment. Developer may prepay the Loan at any time without penalty.

3. Disbursement Conditions

3.1 Last-Mover Requirement. Loan funds constitute last-in gap financing. No disbursement shall occur until all other funding sources are documented, committed, and disbursed (except state historic tax credit reimbursements issued post-placement in service).

3.2 Historic Tax Credit Proceeds. Upon receipt of state historic tax credits or equity contributions, Developer shall immediately apply such proceeds to reduce project debt, including the Loan.

3.3 Use of Contingency Funds. Developer must fully exhaust all contingency funds before accessing Loan proceeds.

3.4 Verification of Final Gap. Loan proceeds shall be released only after both Lenders verify the final Project financing gap. Disbursements shall be made directly to contractors or vendors, unless both Lenders authorize otherwise in writing.

3.5 Construction Monitoring. The Lenders may conduct site visits, inspections, cost reviews, and progress evaluations at any time.

3.6 Conditions Precedent to Closing. Before closing, Developer shall deliver:
(a) evidence of all committed funding sources,
(b) final Project budget and sources-and-uses summary,
(c) executed construction contracts and schedules,
(d) evidence of contingency funds applied,
(e) lien waivers from prior work (if applicable),
(f) certificates of insurance naming Lenders as required,
(g) a title insurance commitment acceptable to the Lenders,
(h) Loan Documents executed by all parties,
(i) certified organizational documents and authority certificates,
(j) evidence of zoning, permitting, and regulatory compliance, and
(k) payment of all legal, recording, and closing costs.

4. Security; Collateral; Restrictions

4.1 Security. The Loan is secured by:
(a) subordinate mortgage lien on the Property,
(b) security interest in all personal property, fixtures, materials, equipment, rights, and Project intangibles,
(c) assignment of plans, specifications, permits, contracts, and reports,

(d) personal guaranty,
(e) completion covenant, and
(f) all other collateral described in the Loan Documents.

4.2 Prohibition on Additional Debt. Developer shall not incur, guarantee, or permit additional indebtedness affecting the Property or Collateral without prior written consent of both Lenders.

4.3 Prohibition on Cross-Collateralization. Developer shall not pledge the Property or Collateral as security for any other loan or obligation without Lenders' prior written consent.

4.4 No Subordination. Developer shall not request, nor shall any Lender be required to grant, subordination of the Loan Documents to any future financing.

5. Construction Requirements

5.1 Completion Covenant. Developer shall achieve:
(a) substantial completion of the Project by July 1, 2027, and
(b) certificate of occupancy by September 1, 2027.

5.2 Budget Adherence. Developer shall complete the Project within the approved budget. No material change may be made without Lenders' written consent.

5.3 Reporting and Access. Developer shall provide:
(a) monthly progress reports,
(b) updated schedules and budgets,
(c) cost certifications,
(d) draw requests with supporting invoices,
(e) lien waivers,
(f) placed-in-service documentation.
Lenders may access the site at any reasonable time.

6. Transfer Restrictions; Acceleration

6.1 Transfer of Property. Any sale, conveyance, transfer, assignment, or refinance of the Property without Lenders' written consent shall cause immediate acceleration of the Loan.

6.2 Transfer of Ownership of Developer. Any transfer affecting control, ownership, voting rights, or management of Developer without Lenders' written consent is prohibited and constitutes a default.

7. Lenders' Rights; Non-Agency

7.1 Several (Not Joint) Liability. Each Lender's obligations are several and not joint. Neither Lender guarantees or is liable for the other's performance.

7.2 Independent Remedies. Each Lender may enforce rights independently or jointly. Failure of one Lender to act does not impair the rights of the other.

7.3 No Agency or Partnership. Nothing in this Agreement creates an agency, partnership, or joint venture among the Lenders.

8. Default. Developer is in default if Developer:

(a) fails to pay when due,
(b) breaches any covenant in any Loan Document,
(c) misuses Loan funds,
(d) fails to maintain insurance,
(e) abandons or fails to complete the Project,
(f) incurs unauthorized financing,
(g) violates transfer restrictions,
(h) becomes insolvent or enters bankruptcy,
(i) fails to cure Senior Mortgage defaults after notice,
(j) fails to meet the Completion Covenant.

Upon default, the Lenders may:

1. accelerate the Loan,
2. foreclose the Mortgage,
3. exercise Article 9 remedies,
4. take possession of the Collateral,
5. enforce assignments,
6. appoint or seek appointment of a receiver,
7. cure Senior Mortgage defaults and add costs to the Loan.

9. Environmental Non-Operator Protection. Nothing in this Agreement shall be construed to make the Lenders owners or operators of the Property under CERCLA, K.S.A. 65-3451 et seq., or any similar law.

10. Indemnification. Developer shall indemnify and hold harmless each Lender from all claims arising out of the Project, except for the Lenders' own gross negligence or willful misconduct.

11. Governing Law
This Agreement is governed by Kansas law.

12. Enforcement Costs. Upon an Event of Default, the Developer shall pay all costs and expenses incurred by the Lenders in enforcing or protecting their rights under the Loan Documents, including without limitation:

(a) reasonable attorneys' fees and legal expenses,
(b) court costs,
(c) costs of foreclosure, receivership, or Article 9 disposition,
(d) title, recording, filing, and continuation fees,
(e) costs of inspections, appraisals, engineers, consultants, and auditors, and
(f) all expenses related to curing Senior Mortgage defaults.

All such amounts shall constitute additional indebtedness secured by the Loan Documents and shall bear interest at the rate applicable to the principal indebtedness.

13. Signatures. Executed as of the Effective Date.

CITY OF EL DORADO, KANSAS
By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

El DORADO, INC
By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

FRONTIER DEVELOPMENT, LLC
By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

Exhibit A – Legal Description

EXHIBIT B – COLLATERAL SCHEDULE

This Collateral Schedule supplements and forms part of the Security Agreement, Financing Agreement, and all other Loan Documents executed in connection with the 124 Lofts Project located at 124 S. Main Street, Butler County, Kansas. The Collateral consists of all the following, whether now owned or later acquired, wherever located, together with all proceeds, products, accessions, replacements, substitutions, and renewals thereof:

I. Tangible Personal Property

1. Equipment, including HVAC systems, electrical panels, plumbing assemblies, elevators, boilers, generators, appliances, lighting systems, and similar building equipment.
2. Machinery, tools, construction equipment, and staging equipment.
3. Goods intended to become fixtures or incorporated into the Project.
4. Construction materials, including lumber, steel, wiring, piping, insulation, roofing materials, drywall, windows, doors, and similar items.
5. Furniture, fixtures, and furnishings used in common areas or in connection with the Project.
6. Supplies and inventory acquired for installation or use in the Project.

II. Fixtures (to the extent constituting personal property)

All goods that are or may become fixtures attached to the Property, including:

1. mechanical, electrical, plumbing, and HVAC systems,
2. built-in cabinetry, counters, and millwork,
3. fire suppression systems,
4. security and access control systems,
5. telecommunications and data infrastructure,
6. elevators and lift systems, and
7. all other items integrated into or affixed to the improvements.

III. Contracts, Agreements, and Related Rights

1. Construction contracts, subcontracts, purchase orders, and service contracts.
2. Architectural and engineering agreements, including all versions, amendments, and revisions.
3. Development agreements, consulting agreements, and professional service contracts.
4. Warranty rights and claims against architects, engineers, contractors, and suppliers.
5. Indemnities and guarantees relating to the Project.
6. Assignment rights, including rights to enforce performance or seek damages.
7. Utility service agreements, if assignable.

IV. Intangible Property

1. Plans, drawings, specifications, renderings, elevations, CAD/BIM files, and all architectural or engineering work products.
2. Reports, including geotechnical studies, surveys, Phase I/Phase II environmental assessments, structural analyses, cost estimates, and inspection reports.
3. Governmental approvals, including permits, licenses, entitlements, and certificates (to the extent assignable).
4. Zoning and land-use approvals, variances, and building permits.

5. Proprietary rights used in the Project, including copyrights to design documents, to the extent assignable.
6. Trade names or project branding specific to the development, if applicable and assignable.

V. Financial Assets and Payments

1. Accounts, accounts receivable, payment intangibles, and rights to payment.
2. Deposit accounts, reserve accounts, and escrow accounts used for the Project.
3. Tax credit proceeds, including state historic tax credits and equity contributions.
4. Reimbursements, incentives, grants, or payments from governmental or quasi-governmental sources.
5. Insurance proceeds, including builder's risk, property, liability, and business interruption insurance.
6. Condemnation awards, settlement funds, and compensation for damage or loss.
7. Refunds and credits, including sales tax refunds or utility rebates.

VI. Project Records and Information

1. Books and records, including ledgers, files, correspondence, and internal documents related to the Project.
2. Electronic data, including digital files, cloud-stored materials, emails, accounting files, and project management records.
3. Draw requests, invoices, lien waivers, and payment records.
4. Construction schedules, change orders, and progress reports.

VII. Proceeds and Products

All cash and non-cash proceeds, including:

1. proceeds of sale, lease, refinance, or transfer of any Collateral,
2. replacement or substitute property,
3. income generated from the Project,
4. settlement proceeds from litigation or disputes relating to the Project,
5. proceeds from enforcement of Assigned Documents.

VIII. After-Acquired Property

All property of the same type as described in Exhibit B that is acquired, created, or developed by the Developer after the date of this Agreement.

Execution Not Required

This Exhibit is incorporated by reference into the Security Agreement and does not require separate execution.

ASSIGNMENT OF PLANS, SPECIFICATIONS, REPORTS, AND CONTRACTS

(Kansas – Collateral Assignment)

THIS ASSIGNMENT (this Assignment) is made as of ___________, by Frontier Development, LLC (the Assignor or Developer), whose address is ____________________________________, in favor of:

THE CITY OF EL DORADO, KANSAS, and **EL DORADO, INC** (collectively, the Assignees or Lenders). This Assignment is executed in connection with, and as security for, the obligations of the Developer under that certain Financing Agreement dated _____________ (the Loan Agreement).

1. Assigned Documents. Developer hereby assigns, transfers, and conveys to the Lenders, as additional collateral security for the Loan, all of the Developer's right, title, and interest in and to the following documents relating to the Project known as the **124 Lofts Project** at 124 S. Main Street, Butler County, Kansas (collectively, the Assigned Documents):

(a) all architectural plans, drawings, renderings, elevations, and specifications;
(b) all engineering reports, structural analyses, geotechnical reports, environmental studies, surveys, and related documents;
(c) all construction contracts, general contractor agreements, subcontracts, procurement contracts, and professional services agreements;
(d) all permits, approvals, licenses, entitlements, utility agreements, and governmental filings, to the extent assignable;
(e) all warranties, guarantees, indemnities, and claims relating to construction or design;
(f) all revisions, amendments, supplements, and replacements to any of the foregoing.
The Assigned Documents include both hard-copy and electronic versions and include intellectual property rights to the extent assignable under applicable law.

2. Purpose of Assignment. This Assignment is intended to provide the Lenders with the right to:

(a) step into the Developer's position regarding the Project upon an Event of Default;
(b) enforce, modify, terminate, or reassign design and construction agreements;
(c) complete the Project, or cause it to be completed, using the Assigned Documents; and
(d) deliver copies of the Assigned Documents to successor developers, contractors, or consultants.

This Assignment is given as additional security for the Loan.

3. Conditional Assignment; Rights Upon Default. Unless and until an Event of Default occurs:

(a) this Assignment shall be collateral only,
(b) the Developer may continue to use the Assigned Documents solely in connection with the Project, and
(c) the Developer may not amend, terminate, transfer, or waive rights under any Assigned Document without the prior written consent of both Lenders.

Upon an Event of Default:

(a) this Assignment becomes absolute and immediate,
(b) the Lenders may exercise all rights of the Developer under the Assigned Documents,
(c) the Developer's rights automatically terminate,

(d) the Lenders may deliver notices to architects, engineers, and contractors directing their performance to the Lenders, and
(e) the Lenders may disclose or transfer the Assigned Documents to any party as necessary to protect the Collateral or complete the Project.

4. Covenants of Developer. Developer covenants, represents, and warrants that:
(a) Developer lawfully owns its interests in the Assigned Documents and has not assigned them to any other entity;
(b) No Assigned Document prohibits assignment as security, or if it does, Developer shall obtain written consent from all necessary counterparties.
(c) Developer shall provide the Lenders with copies of the Assigned Documents upon request, including updated versions and electronic files.

Developer shall not materially amend, replace, or terminate any Assigned Document without the Lenders' prior written consent. Developer shall execute any additional documents required to effectuate or perfect this Assignment.

5. Notices to Design Professionals and Contractors. Upon request by the Lenders or upon any Event of Default, the Developer shall deliver written notices to all architects, engineers, consultants, contractors, and subcontractors acknowledging:
(a) this Assignment,
(b) Lenders' right to step in upon default, and
(c) such parties' obligation to continue performance under Lenders' direction.
If Developer fails to provide such notices, the Lenders may provide them directly, and the Developer irrevocably consents to such delivery.

6. No Liability of Lenders. Until and unless Lenders affirmatively assume an Assigned Document after default:
(a) Lenders shall have no obligations or liabilities under any Assigned Document;
(b) Lenders are not responsible for payment for services or work performed before Lenders provide step-in instructions;
(c) nothing herein makes the Lenders "owners," "operators," or "developers" under any law, including CERCLA or Kansas environmental laws.

7. Several (Not Joint) Liability of Lenders. Each Lender's rights and obligations under this Assignment are several and not joint. No Lender shall be liable for the acts or omissions of the other Lender.

8. Governing Law
This Assignment is governed by the laws of the State of Kansas.

9. Execution
Executed as of the date first written above.

FRONTIER DEVELOPMENT, LCC:
By: _______________________________________
Name: _____________________________________
Title: ______________________________________
Date: ______________________________________

CITY OF EL DORADO, KANSAS:
By: _______________________________________
Name: _____________________________________
Title: ______________________________________
Date: ______________________________________

El DORADO INC.:
By: _______________________________________
Name: _____________________________________
Title: ______________________________________
Date: ______________________________________

SUBORDINATE MORTGAGE, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT, AND FIXTURE FILING

THIS INSTRUMENT is made as of **___________,** by Frontier Development, LLC (the Borrower), whose mailing address is ___________________________, for the benefit of:

THE CITY OF EL DORADO, KANSAS, whose mailing address is 220 E. First Avenue, El Dorado, KS 67042, and **EL DORADO, INC.** whose mailing address is PO Box 350, El Dorado, KS 67042 (collectively, the Lenders or Secured Parties).

This Instrument is given to secure Borrower's obligations under that certain **Promissory Note** dated ____________ (the Note) and the **Financing Agreement** (the Loan Agreement) and is intended to be recorded in the real property records of Butler County, Kansas.

1. **Grant of Mortgage.** Borrower mortgages, grants, conveys, and assigns to the Lenders, jointly and severally, the following (collectively, the Property):

(a) the real property legally described in Exhibit A,
(b) all buildings, improvements, structures, and fixtures located thereon,
(c) all easements, rights-of-way, privileges, licenses, minerals, water rights, and appurtenances, and
(d) all after-acquired improvements and fixtures.

2. **Subordination.** This Mortgage is expressly subordinate to the lien in favor of Senior Lender:

____

Senior Mortgage Recording Information: Book _____, Page _____ or Instrument No. __________
This Instrument shall not disturb or impair any rights of the Senior Lender.

3. **Assignment of Rents.** Borrower assigns to the Lenders all rents, issues, income, and profits from the Property as additional security. Borrower may collect rents unless an Event of Default occurs. After default, Lenders may collect rents directly without further authorization.

4. **Grant of Security Interest (Fixture Filing and Personal Property Collateral)** Borrower grants to the Lenders a **security interest** in the following Collateral to the fullest extent permitted under Kansas law and Article 9 of the Kansas UCC:

(a) all fixtures located on or attached to the Property,
(b) all equipment, machinery, building systems, goods, materials, and construction components,
(c) all plans, specifications, engineering documents, permits, approvals, and licenses,
(d) all contracts relating to construction, use, or development of the Property,
(e) all accounts, general intangibles, and payment intangibles relating to the Project,
(f) all insurance proceeds and condemnation awards, and
(g) all accessions, replacements, substitutions, and proceeds.

Fixture Filing Statement (K.S.A. 84-9-502): Borrower is the owner of the real estate described in Exhibit A. This Instrument constitutes a fixture filing for all goods that are or become fixtures.

5. **Obligations Secured.** This Instrument secures:

1. the Note,
2. the Loan Agreement,
3. the UCC Security Agreement,
4. any environmental, indemnification, or reimbursement obligations, and
5. all renewals, modifications, protective advances, and costs of enforcement.

6. **Borrower Covenants.** Borrower shall:

(a) comply with all obligations under the loan documents,
(b) keep the Property free of liens except the Senior Mortgage and Lenders-approved liens,

(c) maintain all insurance required by the Loan Agreement,
(d) timely pay all taxes and assessments,
(e) not transfer the Property or Borrower's ownership interests without Lender consent,
(f) maintain the Property in good and safe condition,
(g) comply with all applicable laws and permits, and
(h) provide notice of litigation, liens, claims, or governmental actions affecting the Property.

7. **Default.** A default under any loan document constitutes a default under this Instrument. Upon default, the Lenders may:

(a) accelerate the Note,
(b) foreclose under Kansas law,
(c) exercise Article 9 remedies against Collateral,
(d) take possession of the Property,
(e) collect rents,
(f) seek appointment of a receiver,
(g) cure Senior Mortgage defaults and add costs to Borrower's indebtedness.

8. **No Joint Liability of Lenders.** The obligations of the Lenders are **several, not joint**. Neither Lender guarantees the obligations of the other. Borrower may not assert claims or defenses against one Lender based on the conduct of the other.

9. **No Agency; No Partnership.** Nothing in this Instrument creates a partnership, joint venture, or agency relationship among the Lenders or between any Lender and Borrower.

10. **Environmental Non-Operator Protection.** Nothing in this Instrument shall be construed as making the Lenders owners or operators of the Property under CERCLA, the Kansas Environmental Response Act, or analogous laws.

11. **Notices.** Notices shall be given as provided in the Loan Agreement.

12. **Governing Law.** This Instrument is governed by the laws of the State of Kansas.

13. **Execution.** Executed by Borrower on _____________.

BORROWER:

Frontier Development, LLC

Name:
Title:
Date:

ACKNOWLEDGMENT

STATE OF KANSAS)
) ss:
COUNTY OF BUTLER)

This instrument was acknowledged before me on _____________, 20____, by _________________________________, as _________________________________ of _________________________________, a _________________________________.

____
Notary Public
My appointment expires: ______________

EXHIBIT A
Legal Description of the Property

PROMISSORY NOTE

(Fixed-Rate Balloon Note – Kansas)

Principal Amount: $300,000
Interest Rate: 2.00 percent per annum
Maturity Date: Ten (10) years after the Closing Date
Effective Date: ____________
Borrower: Frontier Development, LLC
Lenders: City of El Dorado, Kansas and El Dorado, Inc.

FOR VALUE RECEIVED, Frontier Development, LLC, (the Borrower), promises to pay to the City of El Dorado, Kansas, and El Dorado, Inc. (collectively, the Lenders), the principal sum of up to Three Hundred Thousand Dollars ($300,000), or such lesser amount as may be advanced under the Loan Agreement referenced below, together with interest on the unpaid principal balance at the fixed rate of two percent (2%) per annum, all on the following terms:

1. **Defined Terms.** Capitalized terms not defined in this Note have the meanings given in the Financing Agreement dated ____________ (the Loan Agreement).
2. **Interest Rate.** Interest shall accrue at 2% fixed per annum, on the basis of a 365-day year and actual days elapsed. No default interest rate applies unless permitted by Kansas law and approved by both Lenders in writing.
3. **Payment; Balloon Structure.** This Note is a balloon note. No periodic payments of principal or interest are required prior to maturity, unless otherwise agreed in writing. Borrower shall repay:
   (a) the entire outstanding principal,
   (b) all accrued and unpaid interest, and
   (c) all other amounts due under this Note and the Loan Agreement,
   in one lump-sum balloon payment on the earliest of:
    1. the date that is ten (10) years after the Closing Date (the Maturity Date),
    2. any sale, conveyance, transfer, assignment, refinance, or disposition of the Property, whether voluntary or involuntary,
    3. any Transfer of Ownership of Borrower prohibited under the Loan Agreement, or
    4. acceleration following an Event of Default.
4. **Prepayment.** Borrower may prepay this Note, in whole or in part, at any time without premium or penalty, provided Borrower concurrently pays all accrued interest.
5. **Application of Payments.** Payments shall be applied first to fees, costs, and expenses, second to accrued interest, and third to principal. Payments must be made in lawful U.S. currency, in immediately available funds, in the proportions owed to each Lender based on actual amounts funded.
6. **Several (Not Joint) Liability of Lenders.** The Lenders' rights under this Note are several, not joint. Each Lender is responsible only for its own disbursement obligations. Borrower may not assert claims, offsets, or defenses against one Lender based on the actions or omissions of the other.
7. **Default.** An **Event of Default** occurs if:
    1. Borrower fails to make any payment when due,
    2. Borrower defaults under the Loan Agreement, Mortgage, Security Agreement, or any other loan document,
    3. Borrower transfers the Property or any ownership interest without required lender consent,
    4. Borrower becomes insolvent, enters bankruptcy, or is subject to receivership.

   Upon default, the Lenders may declare this Note immediately due and payable.
8. **Cross-Default.** Default under this Note constitutes default under the Loan Agreement, the Subordinate Mortgage and Fixture Filing, the UCC Security Agreement, the Assignment of Plans and Contracts, and any guaranty of this Note. Likewise, default under any loan document constitutes default under this Note.
9. **Security.** This Note is secured by:
    1. the Subordinate Mortgage and Fixture Filing,
    2. the UCC Security Agreement,
    3. the Assignment of Plans, Specifications, Reports, and Contracts, and
    4. any personal Guaranty.
10. **No Waiver.** Lenders' failure to enforce any right does not waive that right.
11. **Governing Law.** This Note is governed by the laws of the **State of Kansas**.
12. **No Agency; No Partnership.** The Lenders are not partners, agents, or fiduciaries for one another. No Lender may bind the other.
13. **Severability.** If any provision is invalid, the remainder remains enforceable.
14. **Notices.** Notices shall be delivered as provided in the Loan Agreement.
15. **Execution.** Borrower has executed this Note on the date below.

FRONTIER DEVELOPMENT, LLC

____

Name: ______________________________

Title:________________________________

Date:_______________________________

CITY OF EL DORADO, KANSAS

By: _____________________________________
Name: David Dillner
Title: City Manager, El Dorado Kansas
Date:

El DORADO, INC.

____

Name: ______________________________

Title:________________________________

Date:_______________________________

UCC-1 FINANCING STATEMENT FILING TEXT*(You will paste this entire block into the "Collateral" field)*

This filing covers all personal property of Debtor relating to the development, construction, completion, ownership, or operation of the project known as the 124 Lofts Project at 124 S. Main Street, Butler County, Kansas. Collateral includes all goods, inventory, equipment, machinery, tools, construction materials, building systems, fixtures to the extent they are personal property, furniture, and furnishings. It also includes all accounts, payment intangibles, contract rights, general intangibles, documents, instruments, chattel paper, tax credit proceeds, tax credit equity contributions, governmental incentives, refunds, reimbursements, and claims. It includes all deposit accounts, reserves, escrow accounts, insurance proceeds, condemnation awards, plans, specifications, drawings, studies, reports, permits, approvals, licenses, construction contracts, architectural and engineering agreements, warranties, guarantees, indemnities, and all books and records. It also includes all additions, accessions, substitutions, replacements, products, and proceeds of any of the foregoing.

This filing also covers fixtures of the Debtor located on or to be located on the real estate described in a Subordinate Mortgage recorded in Butler County, Kansas. This filing is made in addition to, not in replacement of, the fixture filing contained in that Mortgage.

Where this gets filed. Kansas Secretary of State — UCC Division
(Online or by paper. Online is fastest.) You do not file the UCC-1 in Butler County.
The only county filing is the mortgage, which already includes the fixture filing.

EL DORADO
KANSAS

TO:	City Commission
FROM:	Scott Rickard
SUBJ:	Consideration of Agreement No. 1179-25 for KDOT Surface Preservation Project
DATE:	January 5, 2026

Summary:

The Kansas Department of Transportation (KDOT) has awarded funding for the City Connecting Link Improvement Program (CCLIP) Surface Preservation (SP) project. This project focuses on resurfacing K-254 (Central Avenue) from Boyer Road to Haverhill Road through a 2-inch mill and overlay, and pavement markings. The improvements address deteriorating pavement. The project is crucial for ensuring the safety and longevity of the roadway, which accommodates over 18,000 vehicles daily and has not been resurfaced since 2016.

The total estimated project cost is $1,171,410.08. KDOT will fund up to $400,000 for construction and construction engineering. The City's local share is estimated at $771,410.08, including required matches, non-participating costs, and costs exceeding KDOT's maximum contribution.

Attachments:

1. 008 U-2602 CCLIP (SP) El Dorado (1179-25).final

Funding Source:

This project supports the City Commission's priorities related to infrastructure preservation, public safety, and responsible financial stewardship. Central Avenue is a primary community connector and a key route for commerce, emergency response, and daily travel. The proposed mill and overlay, with drainage improvements and updated markings, aligns with the City's pavement preservation approach and condition-based prioritization practices. It also advances the City's goal of leveraging KDOT funding to complete high-impact improvements on state highway routes within City limits.

Operation Impact:

The resurfacing will extend the lifespan of this heavily trafficked section of K-254. Minimal impact on daily operations is anticipated during construction, which will include appropriate traffic control measures to maintain accessibility. The City's portion of the funding, totaling $771,410.08, will come from the Street Sales Tax Fund. This includes the 10% local match of $44,444.44 and non-participating costs of $94,159.35, along with the balance exceeding KDOT's funding cap.

Options/Alternatives:

1. **Deny the Agreement**
2. **Modify the Project Scope**

Staff Recommendation:

Staff recommend that the City Commission approve the agreement and authorize the mayor to execute it with KDOT for the K-254 Surface Preservation Project. This partnership ensures substantial state funding while addressing vital infrastructure maintenance needs.

Commission Action:
Commissioner _______________ moved to authorize the Mayor to sign Agreement No. 1179-25 with KDOT for the K-254 Surface Preservation Project under the City Connecting Link Improvement Program.

Commissioner _______________ seconded the motion.

PROJECT NO. 008 U-2602-01
CCLIP (SP) RESURFACING PROJECT
CMS CONTRACT NO. ________________
CITY OF EL DORADO, KANSAS

A G R E E M E N T

This Agreement is between the **Secretary of Transportation**, Kansas Department of Transportation (KDOT) (the "Secretary"), and the **City of El Dorado, Kansas** ("City"), collectively, the "Parties."

RECITALS:

A. The City has applied for, and the Secretary has approved, a CCLIP (SP) Resurfacing Project.

B. The Secretary and the City are empowered by the laws of Kansas to enter into agreements for the construction and maintenance of City Connecting Links of the State Highway System through the City.

C. The City desires to construct a street resurfacing Project on W Central Avenue / K-254, a City Connecting Link for the State Highway System, in the City.

D. The Secretary desires to enter into an Agreement with the City to participate in the cost of the Project by use of state and local funds.

NOW THEREFORE, the Parties agree as follows:

ARTICLE I

DEFINITIONS:

As used in this Agreement, the capitalized terms below have the following meanings:

1. **"Agreement"** means this written document, including all attachments and exhibits, evidencing the legally binding terms and conditions of the agreement between the Parties.

2. **"CCLIP (SP) Resurfacing Program"** means a City Connecting Link Improvement Program (CCLIP (SP)) that is a part of the KDOT Local Partnership Program with cities and counties. The state's participation in the cost of construction and construction engineering will be one hundred percent (100%) for cities with a population between 0 to 2,499, ninety-five percent (95%) for cities with a population between 2,500 to 4,999, ninety percent (90%) for cities with a population between 5,000 to 24,999, eighty-five percent (85%) for cities with a population between 25,000 to 49,999, eighty percent (80%) for cities with a population between 50,000 to 99,999, and seventy-five percent (75%) for cities with a population equal to or greater than 100,000, up to a maximum of $400,000.00 per fiscal year of state funds. The CCLIP (SP) Resurfacing Program is for contract maintenance only.

3. **"City"** means the City of El Dorado, Kansas, with its place of business at 226 N Vine Street, El Dorado, KS 67042.

4. **"City Connecting Link"** means a route inside the city limits of a city which: (1) connects a state highway through a city; (2) connects a state highway to a city connecting link of another state highway; (3) is a state highway which terminates within such city; (4) connects a state highway with a road or highway under the jurisdiction of the Kansas Turnpike Authority; or (5) begins and ends within a city's limits and is designated as part of the national system of Interstate and defense highways.

5. **"Construction"** means the work done on the Project after Letting, consisting of building, altering, repairing, improving, or demolishing any structure, building or highway, any drainage, dredging, excavation, grading or similar work upon real property.

6. **"Construction Engineering" or "CE"** means inspection services, material testing, engineering consultation and other reengineering activities required during Construction of the Project.

7. **"Consultant"** means any engineering firm or other entity retained to perform services for the Project.

8. **"Contractor"** means the entity awarded the Construction contract for the Project and any subcontractors working for the Contractor with respect to the Project.

9. **"Design Plans"** mean design plans, specifications, estimates, surveys, and any necessary studies or investigations, including, but not limited to, environmental, hydraulic, and geological investigations or studies necessary for the Project under this Agreement.

10. **"Effective Date"** means the date this Agreement is signed by the Secretary or the Secretary's designee.

11. **"Eligible / Participating Bid Items"** means all bid items that pertain to Project resurfacing and striping along the connecting link only. Items eligible for CCLIP (SP) funding include manhole adjustments, milling, overlays, aggregate or paved shoulders (if already existing), concrete pavement, thin bonded concrete overlays, joint repair, slurry seals, bituminous seals, ultra-thin bonded overlay, concrete and asphalt pavement patching, subgrade improvement, reconstruction, traffic control, transporting of salvageable material (millings), striping, traffic signal loops on the state highway and that portion of the traffic signal loops that lie inside the return on side streets, and pavement marking on the connecting link. Video-detection systems are participating, except on side streets; however, such systems will require pre-approval, as well as additional details, and a bill of materials to be included in the final design plans. Resurfacing work is participating out to the curb returns on side streets.

12. **"Encroachment"** means any building, structure, vehicle, parking area, or other object or thing, including but not limited to signs, posters, billboards, roadside stands, fences, or other private installations, not authorized to be located within the Right of Way which may or may not require removal during Construction pursuant to the Design Plans.

13. **“Fiscal Year (FY)”** means the state’s fiscal year which begins July 1 and ends on June 30 of the following calendar year.

14. **“KDOT”** means the Kansas Department of Transportation, an agency of the State of Kansas, with its principal place of business located at 700 SW Harrison Street, Topeka, KS 66603-3745.

15. **“Letting” or “Let”** means the process of receiving bids prior to any award of a Construction contract for any portion of the Project.

16. **“Non-Eligible / Non-Participating Bid Items”** means items typically non-eligible for CCLIP (SP) funding including but not limited to: bridge deck patching, utility adjustments, curb and gutter, overlay of curb and gutter, adjustment or reestablishment of survey markers, drainage appurtenances, driveways, entrances, sidewalks, sidewalk ramps, construction warranties, traffic loop construction outside the return on a side street, video detection on side streets, and construction outside of the curb and gutter. Work performed outside the Project limits on side streets, or outside the city limits, is non-eligible for state participation, items with unit price changes from the let price (other than items with price adjustment specification in the bid documents) and any other items deemed non-eligible by the Secretary.

17. **“Participating Costs”** means expenditures for items or services which are an integral part of highway, bridge, and road construction projects, as reasonably determined by the Secretary.

18. **“Preliminary Engineering” or “PE”** means pre-construction activities, including but not limited to design work, generally performed by a consulting engineering firm that takes place before Letting.

19. **“Project”** means mill and overlay, reconstruction, minor patching, joint repair, slurry seal, microsurfacing, and any other pre-approved resurfacing methods for the CCLIP (SP) Resurfacing Program for K-254, from SW Boyer Road to S Haverhill Road, in El Dorado, Kansas, and is the subject of this Agreement.

20. **“Project Limits”** means that area of Construction for the Project, including all areas between and within the Right of Way boundaries as shown on the Design Plans.

21. **“Responsible Bidder”** means one who makes an offer to construct the Project in response to a request for bid with the technical capability, financial capacity, human resources, equipment, and performance record required to perform the contractual services.

22. **“Right of Way”** means the real property and interests therein necessary for Construction of the Project, including fee simple title, dedications, permanent and temporary easements, and access rights, as shown on the Design Plans.

23. **“Secretary”** means the Secretary of Transportation of the State of Kansas and the Secretary’s successors and assigns.

24. **"Surface Preservation" or "SP"** means a fund category, previously known as KLINK, intended to address deficiencies in or extend the life of the driving surface. Project scopes may consist of overlay, mill and overlay, pavement patching, joint repair, seals, or similar surface maintenance work. Parking lanes may be included.

25. **"Utilities" or "Utility"** means all privately, publicly or cooperatively owned lines, facilities and systems for producing, transmitting or distributing communications, power, electricity, light, heat, gas, oil, crude products, water, steam, waste, storm water, and other similar commodities, including fire and police signal systems which directly or indirectly serve the public.

ARTICLE II

FUNDING:

1. **Funding**. The table below reflects the funding commitments of each Party. The Participating Costs of Construction include all Construction Contingency Items. The Parties agree estimated costs and contributions are to be used for encumbrance purposes and may be subject to change. The City agrees to notify the Bureau of Local Projects if costs increase more than 10% over the estimate.

Party	Responsibility
Secretary	90% of Participating Costs of Construction and Construction Engineering (CE), not to exceed $400,000
City	10% of Participating Costs of Construction and CE until Secretary's funding limit is reached 100% of Participating Costs of Construction and CE after Secretary's funding limit is reached 100% of Costs of Preliminary Engineering (PE), Right of Way, and Utility Adjustments 100% of Non-Participating Costs

ARTICLE III

SECRETARY RESPONSIBILITIES:

1. **Reimbursement Payments.** The Secretary will make such payment to the City as soon as reasonably possible after construction of the Project is completed, after receipt of proper billing, and attestation by a licensed professional engineer employed or retained by the City that the Project was constructed within substantial compliance of the final Design Plans and specifications.

ARTICLE IV

CITY RESPONSIBILITIES:

1. **Limited Scope.** The Project is limited to roadway resurfacing within the Project Limits. The Project roadway resurfacing may include all Eligible items as defined above. Roadway resurfacing does not include such Non-Eligible items as defined above and any other items deemed Non-Eligible or Non-Participating by the Secretary. The City shall be responsible for construction of any traffic signal and/or sidewalk improvements that are necessary to comply with Public Right-of-Way Accessibility Guidelines (PROWAG), regardless of whether such improvements are deemed Non-Eligible/Non-Participating bid items by the Secretary for reimbursement purposes.

2. **Secretary Authorization.** The Secretary is authorized by the City to take such steps as are deemed by the Secretary to be necessary or advisable for the purpose of securing the benefits of the current CCLIP (SP) Resurfacing Program for this Project.

3. **General Indemnification.** To the extent permitted by law and subject to the maximum liability provisions of the Kansas Tort Claims Act (K.S.A. § 75-6101, *et seq.*) as applicable, the City shall defend, indemnify, hold harmless, and save the Secretary and the Secretary's authorized representatives from any and all costs, liabilities, expenses, suits, judgments, damages to persons or property or claims of any nature whatsoever arising out of or in connection with the provisions or performance of this Agreement by the City, the City's employees, agents, or subcontractors. The City shall not be required to defend, indemnify, hold harmless, and save the Secretary for negligent acts or omissions of the Secretary or the Secretary's authorized representatives or employees.

4. **Indemnification by Contractors.** The City shall require the Contractor to indemnify, hold harmless, and save the Secretary and the City from personal injury and property damage claims arising out of the act of omission of the Contractor, the Contractor's agent, subcontractors, or suppliers. If the Secretary or the City defends a third party's claim, the Contractor shall indemnify the Secretary and the City for damages paid to the third party and all related expenses either the Secretary or the City or both incur in defending the claim.

5. **Design and Specifications.** The City shall be responsible for making or contract to have made Design Plans for the Project in conformity with the current version of Section 13.0 CCLIP of the LPA Project Development Manual.

6. **Letting and Administration by City.** The City shall Let the contract for the Project and shall award the contract to the lowest Responsible Bidder upon concurrence in the award by the Secretary. The City further agrees to administer the Construction of the Project in accordance with the Design Plans, and the current version of the City's currently approved procedures, if applicable, and administer the payments due the Contractor, including the portion of the cost borne by the Secretary.

7. **Performance Bond.** The City shall require the Contractor to provide a performance bond at a sum not less than the amount of the contract as awarded.

8. **Responsibility for Adequacy of Design.** The City, and any Consultant retained by the City, shall have sole responsibility for the adequacy and accuracy of the Design Plans, specifications, and estimates. Any review of these items that may be performed by the Secretary or the Secretary's representatives is not intended to and shall not be construed to be an undertaking of the City's and its Consultant's duty to provide adequate and accurate Design Plans, specifications, and estimates. Such reviews are not done for the benefit of the Consultant, the Contractor, the City, any other political subdivision, or the traveling public. The Secretary makes no representation, or expressed or implied warranty, to any person or entity concerning the adequacy or accuracy of the Design Plans, specifications, and estimates or any other work performed by the Consultant or the City.

9. **Design Schedule and Submission to Secretary.** The City shall follow a schedule for the design and development of plans that will allow the Project to be Let to contract in the programmed fiscal year; otherwise, the Secretary has the right to withdraw the Secretary's participation in the Project. If the City's Project preliminary plans, specifications, and a cost estimate (PS&E) are submitted to KDOT's Bureau of Local Projects later than May 1 of the programmed fiscal year, at the Secretary's discretion, the Project may be moved into a future fiscal year.

10. **Movement of Utilities.** The City shall move or adjust, or cause to be moved or adjusted, and shall be responsible for, such removal or adjustment of all existing structures, pole lines, pipelines, meters, and other Utilities, publicly or privately owned, which may be necessary for Construction of the Project in accordance with the final Design Plans. The expense of the removal or adjustment of the Utilities and Encroachments located on public right of way or easement shall be borne by the owner or the City.

11. **Future Encroachments.** The City shall prohibit future erection, installation, or construction of encroachments either on or above the Right of Way, and it shall not in the future permit the erection of fuel dispensing pumps upon the Right of Way of the City Connecting Link. The City shall require any fuel dispensing pumps erected, moved, or installed along the City Connecting Link to be placed a distance from the Right of Way line no less than the distance permitted by the National Fire Code.

12. **Legal Authority.** By signing this Agreement, the signatory certifies that the signatory has legal and actual authority as representative and agent for the City to enter into this Agreement on its behalf. The City agrees to take any administrative and/or legal steps as may be required to give full effect to the terms of this Agreement.

13. **Temporary Traffic Control.** The City shall provide a temporary traffic control plan within the design plans, which includes the City's plan for handling multi-modal traffic during Construction, including detour routes and road closings, if necessary, and installation of alternate or temporary pedestrian accessible paths to pedestrian facilities in the public Right of Way within the Project Limits. The City's temporary traffic control plan must be in conformity with the latest version of the Manual on Uniform Traffic Control Devices (MUTCD), as adopted by the Secretary, and in compliance with PROWAG, and FHWA rules, regulations, and guidance pertaining to the same.

14. **Permanent Traffic Control.** The City must ensure the location, form, and character of informational, regulatory, and warning signs, of traffic signals and of curb and pavement or other

markings installed or placed by any public authority, or other agency as authorized by K.S.A. § 8-2005, shall conform to the latest version of the MUTCD as adopted by the Secretary.

15. **Access Control.** The City shall maintain control of access rights and prohibit the construction or use of any entrance or access point along the Project within the City other than those shown on the final Design Plans, unless prior approval is obtained from the Secretary.

16. **Final Design Plans.** The final Design Plans shall depict the Project Limits. The Eligible/Participating bid items must be shown separately and listed apart from the Non-Eligible/Non-Participating bid items on the final Design Plans, bid documents, and on the detailed billing provided by the City. The City shall have the final Design Plans signed and sealed by a licensed professional engineer. The City shall furnish to KDOT's Bureau of Local Projects an electronic set of final Design Plans and specifications. All technical professionals involved in the Project are required to meet the applicable licensing and/or certification requirements as stated in K.S.A. § 74-7001, *et seq*.

17. **Program Administration.** In addition to complying with all requirements contained in Section 13.0 CCLIP of the LPA Project Development Manual:

(a) The City acknowledges that funding for the Project may be cancelled if the City proceeds to advertise, Let, or award a contract for the Project, prior to receipt of notification from KDOT's Bureau of Local Projects of its completion of the final review of the plans, specifications, and estimates (PS&E).

(b) The City acknowledges that funding for the Project may be cancelled if the City awards the contract for the Project prior to its receipt of an "Authority to Award" notification from KDOT's Bureau of Local Projects.

(c) The City shall provide to KDOT's Bureau of Local Projects with an electronic copy of the executed contract, the completed tax exemption form (PR-76 or PR-74a) and the City's Notice of Award.

(d) After the contract for the Project is awarded, the City shall promptly notify both the Project Manager of KDOT's Bureau of Local Projects and the KDOT Area Engineer to communicate the date the contractor is anticipated to begin work on the Project.

(e) The City acknowledges that any costs for work completed prior to receipt of a Notice of Actual Start Date from the KDOT Area Engineer are ineligible for participation in the Program, shall be deemed non-participating costs, and shall be the responsibility of the City.

18. **Discrimination Laws.** The City shall: (a) comply with the Kansas Act Against Discrimination (K.S.A. § 44-1001, *et seq*.) and the Kansas Age Discrimination in Employment Act (K.S.A. § 44-1111, *et seq*.) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. § 12101, *et seq*.)(ADA) and not discriminate against any person because of race, religion, color, sex, disability, national origin or ancestry, or age in the admission or access to, or treatment or employment in, its programs or activities; (b) include in all solicitations or advertisements for employees, the phrase "equal opportunity employer"; (c) comply with the reporting requirements set out at K.S.A.

§ 44-1031 and K.S.A. § 44-1116; and (d) include those provisions set forth in (a) through (c) in every contract, subcontract or purchase order so they are binding upon such Contractor, subcontractor or vendor. If the City fails to comply with any applicable requirements of (a) through (d) above or if the City is found guilty of any violation by federal or state agencies having enforcement jurisdiction for those Acts, such violation shall constitute a breach of this Agreement. If the Secretary determines the City has violated applicable provisions of the ADA, the violation shall constitute a breach of this Agreement. If any violation under this paragraph occurs, this Agreement may be cancelled, terminated, or suspended in whole or in part.

19. **Inspections.** The City shall provide the Construction Engineering/inspection necessary to determine substantial compliance with the final Design Plans, specifications, and this Agreement. The City shall require at a minimum all personnel, whether City or Consultant, to comply with the high visibility requirements of the MUTCD, Chapter 6E.02, High-Visibility Safety Apparel. If the City executes an agreement for inspection, the agreement must contain this requirement as a minimum. The City may set additional clothing requirements for adequate visibility of personnel.

20. **Corrective Work.** Representatives of the Secretary may make periodic inspections of the Project and the records of the City as may be deemed necessary or desirable. The City shall direct or cause its contractor to accomplish any corrective action or work required by the Secretary's representative as needed for a determination of the funding participation in the CCLIP (SP) Resurfacing Program. The Secretary does not undertake (for the benefit of the City, the Contractor, the Consultant, or any third party) the duty to perform day-to-day detailed inspection of the Project or to catch the Contractor's errors, omissions, or deviations from the final Design Plans and specifications.

21. **Attestation.** Upon completion of the Project the City shall have a licensed professional engineer employed or retained by the City attest in an email to the KDOT Area Engineer and the Project Manager for KDOT's Bureau of Local Projects, that the Project was completed in substantial compliance with the final Design Plans and specifications.

22. **Final Acceptance.** Prior to issuing final payment to the Contractor, the City must obtain final acceptance of the Project from the KDOT Area Engineer.

23. **Accounting.** Upon request by the Secretary, the City shall provide the Secretary with an accounting of all actual Non-Participating costs which are paid directly by the City to any party outside of KDOT and costs incurred by the City not to be reimbursed by KDOT for Preliminary Engineering, Utility adjustments, or any other major expense associated with the Project. This will enable the Secretary to report all costs of the Project to the legislature.

24. **Reimbursement Request.** The City shall request payment from the Secretary after the City has paid the Contractor in full, and a licensed professional engineer has attested in writing that the Project has been completed in substantial compliance with the final Design Plans and specifications.

25. **Audit.** The City shall participate and cooperate with the Secretary in an annual audit of the Project. The City shall make its records and books available to representatives of the Secretary for audit for a period of five (5) years after date of final payment under this Agreement. If any such audits

reveal payments have been made with state funds by the City for items considered Non-Participating, the City shall promptly reimburse the Secretary for such items upon notification by the Secretary.

ARTICLE V

GENERAL PROVISIONS:

1. **City Connecting Link Maintenance Agreement**. The Parties entered into an agreement covering routine maintenance of the City Connecting Link within City limits. It is the Parties' intention that the agreement for routine maintenance shall remain in full force and effect and the mileage set out in the City Connecting Link maintenance agreement is not affected by this Agreement.

2. **Existing Right of Way.** The Project will be constructed within the limits of the existing right of way.

3. **Incorporation of Final Plans.** The final Design Plans and specifications are by this reference made a part of this Agreement.

4. **Compliance with Federal and State Laws.** The Parties agree to comply with all appropriate state and federal laws and regulations applicable to this Project.

5. **Project Modification.** Any of the following Project changes require the City to send a formal notice to the Secretary for approval:

   a. Fiscal year the Project is to be Let
   b. Project length
   c. Project location
   d. Project scope

   Items b, c, and d require an attached map to scale.

   It is further mutually agreed during Construction that the City shall notify the Secretary of any changes in the plans and specifications.

6. **Civil Rights Act.** The **Civil Rights Attachment,** pertaining to the implementation of the Civil Rights Act of 1964, is attached and made a part of this Agreement.

7. **Contractual Provisions.** The Provisions found in the current version of the **Contractual Provisions Attachment (Form DA-146a)**, which is attached, are incorporated into and made a part of this Agreement.

8. **Termination.** If, in the judgment of the Secretary, sufficient funds are not appropriated to continue the function performed in this Agreement and for the payment of the charges hereunder, the Secretary may terminate this Agreement at the end of its current fiscal year. The Secretary will participate in all costs approved by the Secretary incurred prior to the termination of the Agreement.

9. **Binding Agreement.** This Agreement and all contracts entered into under the provisions of this Agreement are binding upon the Secretary and the City and their successors in office.

10. **No Third-Party Beneficiaries.** No third-party beneficiaries are intended to be created by this Agreement and nothing in this Agreement authorizes third parties to maintain a suit for damages pursuant to the terms or provisions of this Agreement.

11. **Headings.** The captions of the various articles and sections of this Agreement are for convenience and ease of reference only, and do not alter the terms and conditions of any part or parts of this Agreement.

12. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

13. **Severability.** If any provision of this Agreement or any attachments hereto is held invalid, the invalidity does not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of this Agreement are severable.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their duly authorized officers.

ATTEST:	CITY OF EL DORADO, KANSAS
________________________	________________________
CITY CLERK (Date)	MAYOR

(SEAL)

KANSAS DEPARTMENT OF TRANSPORTATION
SECRETARY OF TRANSPORTATION

By:______________________________________
Greg M. Schieber, P.E. (Date)
Deputy Secretary and
State Transportation Engineer

Approved as to form:

INDEX OF ATTACHMENTS

Civil Rights Attachment
Contractual Provisions Attachment (Form DA-146a)

KANSAS DEPARTMENT OF TRANSPORTATION

CIVIL RIGHTS ACT ATTACHMENT

PREAMBLE

The Secretary of Transportation for the State of Kansas, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. § 2000d to 2000d-4) and other nondiscrimination requirements and the Regulations, hereby notifies all contracting parties that it will affirmatively ensure that this contract will be implemented without discrimination on the grounds of race, color, national origin, sex, age, disability, income-level or Limited English Proficiency (LEP).

CLARIFICATION

The term "Contractor" is understood to include the Contractor, the Contractor's assignees and successors in interest, consultants, and all other parties to contracts or agreements with the Secretary of Transportation, Kansas Department of Transportation. This Attachment shall govern should this Attachment conflict with provisions of the Document to which it is attached.

ASSURANCE APPENDIX A

During the performance of this contract, the Contractor, for itself, its assignees and successors in interest, agrees as follows:

1. **Compliance with Regulations**: The Contractor will comply with the Acts and the Regulations relative to nondiscrimination in its Federally-assisted programs of the U.S. Department of Transportation, the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA) or the Federal Aviation Administration (FAA) as they may be amended from time to time which are herein incorporated by reference and made a part of this contract.

2. **Nondiscrimination**: The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project or program set forth in Appendix B of 49 CFR Part 21.

3. **Solicitations for Subcontractors, Including Procurements of Material and Equipment**: In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor will be notified by the Contractor of the Contractor's obligations under this contract and the Acts and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. **Information and Reports**: The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the FHWA, FTA, or FAA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Recipient or, the FHWA, FTA, or FAA as appropriate, and shall set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance**: In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the FHWA, FTA, or FAA may determine to be appropriate, including, but not limited to:

    a. withholding payments to the Contractor under the contract until the Contractor complies; and/or
    b. cancelling, terminating or suspending a contract, in whole or in part.

6. **Incorporation of Provisions**: The Contractor will include the provisions of the paragraphs one (1) through six (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Recipient or the FHWA, FTA, or FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

ASSURANCE APPENDIX E

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- The Federal Aid Highway Act of 1973 (23 U.S.C. § 324 et. seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et. seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et. seq.), prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL No. 100-259), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and Contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities), (42 U.S.C. §§12131-12189as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38);
- The Federal Aviation Administration’s nondiscrimination statute (49 U.S.C. § 47123), (prohibits discrimination on the basis of race, color, national origin, and sex);
- Title IX of the Education Amendments of 1972, as amended (prohibits you from discriminating because of sex in education programs or activities), (20 U.S.C. § 1681).

State of Kansas
Department of Administration DA-146a
(Rev. 05-25)

CONTRACTUAL PROVISIONS ATTACHMENT

Important: This form contains mandatory contract provisions and must be attached to or incorporated in all copies of any contractual agreement. If it is attached to the non-State Agency Contracting Party's standard contract form, that form must be altered to contain the following provision:

The provisions found in Contractual Provisions Attachment (Form DA-146a, Rev. 05-25), which is attached hereto, are hereby incorporated in this Contract and made a part thereof.

The Parties agree that the following provisions are hereby incorporated into the Contract to which it is attached and made a part thereof, said contract being the _____ day of ____________________, 20______.

1. **Terms Herein Controlling Provisions**: It is expressly agreed that the terms of each and every provision in this attachment shall prevail and control over the terms of any other conflicting provision in any other document relating to and a part of the Contract in which this attachment is incorporated. Any terms that conflict or could be interpreted to conflict with this attachment are nullified.

2. **Kansas Law and Venue**: This Contract shall be subject to, governed by, and construed according to the laws of the State of Kansas, and jurisdiction and venue of any suit in connection with this Contract shall reside only in courts located in the State of Kansas.

3. **Termination Due to Lack of Funding Appropriation or Funding Source**: If, in the judgment of the Director of Accounts and Reports, Department of Administration, sufficient funds are not appropriated or no longer exist to continue the function performed in this Contract and for the payment of the charges hereunder due to the loss of the funding source, the Contracting State Agency may terminate this Contract immediately or at the end of its current fiscal year. The Contracting State Agency agrees to give written notice of termination to the non-State Agency Contracting Party at least thirty (30) days prior to the end of its current fiscal year and shall give such notice for a greater period prior to the end of such fiscal year as may be provided in this Contract, except that such notice shall not be required prior to ninety (90) days before the end of such fiscal year. The non-State Agency Contracting Party shall have the right, at the end of such fiscal year, to take possession of any equipment provided to the Contracting State Agency under the contract. The Contracting State Agency will pay to the non-State Agency Contracting Party all regular contractual payments incurred prior to the period of notification or through the end of the fiscal year as determined by period of notification given by the Contracting State Agency, plus contractual charges incidental to the return of any such equipment. Upon termination of the Contract by the Contracting State Agency, title to any such equipment shall revert to the non-State Agency Contracting Party at the end of the Contracting State Agency's current fiscal year. The termination of the Contract pursuant to this paragraph shall not cause any penalty to be charged to the Parties.

4. **Disclaimer of Liability**: No provision of this contract will be given effect that attempts to require the Contracting State Agency to defend, hold harmless, or indemnify any non-State Agency Contracting Party or third party for any acts or omissions. The liability of the Contracting State Agency is defined under the Kansas Tort Claims Act (K.S.A. 75-6101, *et seq.*).

5. **<u>Anti-Discrimination Clause</u>**: The non-State Agency Contracting Party agrees: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001, *et seq.*) and the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111, *et seq.*) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. 12101, *et seq.*) (ADA), and Kansas Executive Order No. 19-02, and to not discriminate against any person because of race, color, gender, sexual orientation, gender identity or expression, religion, national origin, ancestry, age, military or veteran status, disability status, marital or family status, genetic information, or political affiliation that is unrelated to the person's ability to reasonably perform the duties of a particular job or position; (b) to include in all solicitations or advertisements for employees, the phrase "equal opportunity employer"; (c) to comply with the reporting requirements set out at K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a failure to comply with the reporting requirements of (c) above or if the non-State Agency Contracting Party is found guilty of any violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of contract and the Contract may be cancelled, terminated or suspended, in whole or in part, by the Contracting State Agency or the Kansas Department of Administration; (f) the non-State Agency Contracting Party agrees to comply with all applicable state and federal anti-discrimination laws and regulations; (g) the non-State Agency Contracting Party agrees all hiring must be on the basis of individual merit and qualifications, and discrimination or harassment of persons for the reasons stated above is prohibited; and (h) if is determined that the non-State Agency Contracting Party has violated the provisions of any portion of this paragraph, such violation shall constitute a breach of contract and the Contract may be canceled, terminated, or suspended, in whole or in part, by the Contracting State Agency or the Kansas Department of Administration.

6. **<u>Acceptance of Contract</u>**: This Contract shall not be considered accepted, approved, or otherwise effective until the statutorily required approvals and certifications have been given.

7. **<u>Arbitration, Damages, Warranties</u>**: Notwithstanding any language to the contrary, no interpretation of this Contract shall find that the Contracting State Agency has agreed to binding arbitration, or the payment of damages or penalties. Further, the Contracting State Agency does not agree to pay attorney fees, costs, or late payment charges beyond those available under the Kansas Prompt Payment Act (K.S.A. 75-6403), and no provision will be given effect that attempts to exclude, modify, disclaim or otherwise attempt to limit any damages available to the Contracting State Agency at law, including but not limited to the implied warranties of merchantability and fitness for a particular purpose.

8. **<u>Representative's Authority to Contract</u>**: By signing this contract, the representative of the non-State Agency Contracting Party thereby represents that such person is duly authorized by the non-State Agency Contracting Party to execute this Contract on behalf of the non-State Agency Contracting Party and that the non-State Agency Contracting Party agrees to be bound by the provisions thereof.

9. **<u>Responsibility for Taxes</u>**: The Contracting State Agency shall not be responsible for, nor indemnify a contractor for, any federal, state, or local taxes which may be imposed or levied upon the subject matter of this Contract.

10. **<u>Insurance</u>**: The Contracting State Agency shall not be required to purchase any insurance against loss or damage to property or any other subject matter relating to this Contract, nor shall this Contract require them to establish a "self-insurance" fund to protect against any such loss or damage. Subject to the provisions of the Kansas Tort Claims Act (K.S.A. 75-6101, *et seq.*), the non-State Agency Contracting Party shall bear the risk of any loss or damage to any property in which the non-State Agency Contracting Party holds title.

11. **Information**: No provision of this Contract shall be construed as limiting the Legislative Division of Post Audit from having access to information pursuant to K.S.A. 46-1101, *et seq*.

12. **The Eleventh Amendment**: The Eleventh Amendment is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the Contracting State Agency to reiterate that nothing related to this Contract shall be deemed a waiver of the Eleventh Amendment.

13. **Campaign Contributions / Lobbying**: Funds provided through a grant award or contract shall not be given or received in exchange for the making of a campaign contribution. No part of the funds provided through this Contract shall be used to influence or attempt to influence an officer or employee of any State of Kansas agency or a member of the Legislature regarding any pending legislation or the awarding, extension, continuation, renewal, amendment or modification of any government contract, grant, loan, or cooperative agreement.

14. **Restricted Funding Source**: The non-State Agency Contracting Party acknowledges and understands the Contracting State Agency's share of the Contract's total, actual, and eligible costs may be funded through the receipt of or reimbursement through federal funds. The Contracting State Agency does not assume any liability in connection with the Contract's total, actual, and eligible costs which may be paid through the receipt of or reimbursement through federal funds. The non-State Agency Contracting Party shall reimburse the Contracting State Agency for any funds approved for this Contract and expended by the Contracting State Agency for which the Contracting State Agency is not reimbursed by the Federal Government or for which such funds are determined by the Federal Government to no longer be available to be used by the Contracting State Agency for said Contract.