

EL DORADO CITY COMMISSION – REGULAR MEETING AGENDA
CITY HALL – 220 E. FIRST AVENUE
June 5, 2017 – 6:30 PM

- 1. Call to Order**
- 2. Roll Call**
- 3. Invocation – Reverend Steve Hyson, Trinity United Methodist Church**
- 4. Pledge of Allegiance**

Proclamations and Recognition

- 5. None**

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 Tabitha Sharp at (316) 321-9100 by 5:00 pm the Tuesday preceding the meeting. Presentations are limited to five minutes. Any presentation is for information purposes only; no action will be taken.

- 6. Karen Linn, Berberich Trahan & Co. - Annual Audit Presentation**

- 7. Public Comments.** Persons who wish to address the City Commission regarding items not on the agenda and that are under the jurisdiction of the City Commission may do so when called upon the Mayor. Comments on personnel matters and matters pending in court are not permitted. Speakers are limited to three minutes. Any presentation is for information purposes only; no action will be taken.

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.*)

- 8. Meeting Minutes: May 15, 2017 City Commission Meeting and May 10 and 24, 2017 Special City Commission Meetings.**

Old Business

- 9. None**

New Business

- 10. Community Improvement District Agreement and Designation for Holiday Inn**
- 11. Public Hearing for the Extension of Country Club Rd. from McCollum to E 29th St, Project No. 513**
- 12. Proposed Court Fee Increase**
- 13. Advisory Board Appointment**

Reports

- 14. City Commission and Advisory Board Updates**
- 15. City Manager**

Executive Session

- 16. Privileged Consultation with an Attorney**

- a. Commissioner _____ moved to adjourn into an executive session pursuant to the attorney client privilege exception under K.S.A. 75-4319(b)(2), to discuss pending legal matters, and to reconvene the regularly scheduled meeting at _____ p.m. in the City Commission Room.

Adjournment

17. Consideration of a motion to adjourn the June 5, 2017 regular meeting

PUBLIC COMMENT POLICY:

Citizens are encouraged to address the City Commission during regularly scheduled meetings. This policy is intended to provide some guidelines to ensure that all El Dorado citizens have a chance to address the Commission.

1. Each citizen will state their name and address before making comments.
2. There are no residency requirements.
3. Each citizen will have 3 minutes to present his or her comments.
4. An extension of time, if necessary, may be approved but must be by a majority of the City Commission.
5. Comments or questions will be directed only to the City Commission.
6. Citizens will follow the decorum policy.
7. Debate or argument between parties in the audience will not be allowed.
8. Certain legal issues may not be discussed. (Examples include but are not limited to personnel issues, lawsuits, etc.)
9. Violation of this public comment policy will result in the citizen being directed to cease or resume sitting.

Approved by the Commission this 2nd day of May 2005.

The Mayor opened the floor for Public Comments.

EL DORADO CITY COMMISSION MEETING

May 15, 2017

The El Dorado City Commission met in a regular session on May 15, 2017 at 6:30 p.m. in the Commission Room with the following present: Mayor Vince Haines, Commissioner Chase Locke, Commissioner Gregg Lewis, Commissioner Nick Badwey, Commissioner Kendra Wilkinson, City Attorney Ashlyn Lindskog, City Manager David Dillner, and City Clerk Tabitha Sharp. Absent: City Engineer Scott Rickard

VISITORS

Jeremy Costello	Butler County Times Gazette	El Dorado, KS
Allison Barkus		
Sabrina Olson		
Brent Martin		
Sue Givens	USD 490	
Brenda Bandy	Kansas Breastfeeding Coalition	
Marcus Johnson	Kansas Breastfeeding Coalition	
Tammy Ojeda		
Dan and Lauren Davis		El Dorado, KS
Janice Powers		
Jamie Downs	Butler County Health Department	El Dorado, KS
Wade Graber	First Baptist Church	El Dorado, KS
Rayann Gomez		El Dorado, KS
Makayla Chabot		El Dorado, KS
Shawn Luehrs	1859 Lawndale Ave	El Dorado, KS
Justin Jones	821 W Locust	El Dorado, KS
Gretchen Shum	815 Rim Rock Rd	El Dorado, KS
Hannah Haury	1401 Country Club Rd	El Dorado, KS
Wren Lowrey	824 S Emporia	El Dorado, KS
Isaac Haahr	1615 Troon North	El Dorado, KS
Jim Gardner	930 Fairway Ct	El Dorado, KS

CALL TO ORDER

Mayor Vince Haines called the May 15, 2017 meeting to order.

INVOCATION

Pastor Wade Graber, First Baptist Church, opened the meeting with prayer.

PLEDGE OF ALLEGIANCE

The Youth Commission led the Pledge of Allegiance.

PROCLAMATIONS AND RECOGNITION

EL DORADO CITY COMMISSION MEETING

May 15, 2017

Brenda Bandy, Kansas Breastfeeding Coalition, stated that they recognize communities that build a community supporting a culture of breastfeeding families. She stated that businesses, employers and educational facilities welcome breastfeeding moms. She stated that El Dorado is the 16th community to be designated in Kansas.

Tammy Ojeda, Local Community Coordinator, thanked the individuals from the community who have helped implement this program in El Dorado.

Mayor Haines read the proclamation declaring El Dorado a community that supports breastfeeding.

Mayor Haines read the proclamations declaring this week Police and Public Works Week in El Dorado.

PERSONAL APPEARANCES

The El Dorado Youth Commission gave their annual report.

Commissioner Kendra Wilkinson thanked the Youth Commission for their help with the Parks and Recreation master plan. She encouraged them to take part in the survey.

Commissioner Chase Locke recognized the seniors and thanked the group for their interest in public service.

PUBLIC COMMENT

Mayor Vince Haines opened the floor for public comment.

There were no comments.

CONSENT AGENDA

Approval of the City Commission minutes from May 1, 2017.

Approval of Appropriation Ordinance No. 04-17 in the amount of \$1,517,551.73.

Commissioner Gregg Lewis moved to approve the consent agenda as presented.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

OLD BUSINESS

There was no old business.

NEW BUSINESS

SET A PUBLIC HEARING FOR PROJECT NO. 513

City Clerk Tabitha Sharp stated that with the pending construction of a the new grade school at Country Club and 29th, Country Club Road needs to be extended. She stated that because of the complex nature of the improvement district, staff are requesting that the City Commission initiate the project. She stated that the purpose of the item being discussed is to set a public hearing for June 5th at which the Commission will hear from any interested citizens.

Ms. Sharp stated that the project is estimated at \$1,291,548.72. She stated that the assessed cost to improvement districts will be \$382,803.98, the City-at-large cost will be \$908,744.74 of that, \$280,307.69 is attributable to properties outside of the city limits. She stated that if those properties are ever annexed into the city, the assessments will be assigned to their property at that time.

Ms. Sharp stated that the project will begin in the spring of 2018.

Commissioner Gregg Lewis asked if it would be the same width as Country Club is now.

Ms. Sharp stated she believe it was, but she would have to check.

Sue Givens, USD 490 Superintendent, stated that the road will actually be a little narrower, but there will be a sidewalk provided for the students.

Commissioner Kendra Wilkinson moved that Resolution No. 2841 a resolution calling and providing for the giving of notice of a public hearing on the advisability of the making of a certain internal improvement in the City of El Dorado, Kansas, under the provisions of K.S.A. 12-6a01 *et seq.*, as amended and supplemented; and providing for the giving of notice of said hearing (street improvements/Country Club Rd - project 513).

Commissioner Chase Locke seconded the motion.

Motion carried 5 – 0.

PETITION FOR SEWER EXTENSION PROJECT NO. 514

Mayor Vince Haines abstained because the district is a client of his company.

Ms. Sharp stated that USD 490 has presented a petition for the extension of sanitary sewer to the new Grandview Elementary. She stated that the cost of the project is \$420,294.08, the entirety of which will be paid for by the improvement district.

EL DORADO CITY COMMISSION MEETING

May 15, 2017

Ms. Sharp stated that this project is estimated to begin in August or September.

Commissioner Nick Badwey moved that Resolution No. 2842 a resolution determining the advisability of the making of certain internal improvements in the City of El Dorado, Kansas; making certain findings with respect thereto; and authorizing and providing for the making of the improvements in accordance with such findings (sanitary sewer improvements/sanitary sewer extension - project 514).

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 4 – 0 (Mayor Haines abstained).

PUBLIC HEARING AND ADOPTION OF THE CAPITAL IMPROVEMENT PLAN

Finance Director Tammy Schaffer stated that we routinely do a Capital Improvement Plan. She stated that there are thirteen projects scheduled for 2018, but only four of those projects are funded at this time: parking lot and driveway replacement at the airport being paid primarily by a grant, residential street program paid for by KLINK grant money and sales tax, Riverview Park and Graham Park improvements paid for by excess sales tax. She stated that the other projects have been cut due to budget restraints.

Ms. Schaffer stated that the overhead doors at the fire department and the two projects at Prairie Trails were cut due to budget restraints.

Mayor Vince Haines opened the public hearing.

There were no comments.

Mayor Haines closed the public hearing.

Commissioner Chase Locke moved to approve the 2018 – 2023 Capital Improvement Plan as presented.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

REPORTS

CITY COMMISSION AND ADVISORY BOARD REPORTS

Commissioner Kendra Wilkinson asked citizens to fill out their surveys for the Parks and Recreation Master Plan.

Mayor Vince Haines stated that REAP is continuing their regional efforts.

Mayor Haines stated that if the public has questions regarding the Parks and Recreation Master Plan they can visit the city's website for more information.

Commissioner Gregg Lewis asked if staff could look into the cleaning of East Park restrooms.

Commissioner Chase Locke congratulated the seniors who are graduating this weekend.

CITY MANAGER'S REPORT

City Manager David Dillner stated that Fire Chief Moody's retirement celebration will be held in the City Commission room from 3 to 5 p.m. on June 2nd. He stated that an interim will be named in the next few days until a new chief is selected.

City Manager Dillner stated that we have had approximately 500 surveys turned in for the Parks and Recreation Master Plan. He stated that there are several prizes being offered for those who fill out the surveys, the drawing will be on Friday.

City Manager Dillner stated that the vandalism at our park restrooms has still been happening. He stated that it appears some individuals used a bat to break the toilets and other items in the restrooms.

Commissioner Gregg Lewis asked if we could put up cameras.

City Clerk Tabitha Sharp stated that it is hard to narrow down what time the issue happened and so we can't tell who did it.

Commissioner Nick Badwey asked if Crime Stoppers had offered a reward.

City Manager Dillner stated that he would talk to the Police Chief about it.

EXECUTIVE SESSION

Commissioner Nick Badwey moved to recess into executive session for the purpose of discussing legal matters and return to the regular City Commission meeting at 7:30 p.m.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

Mayor Vince Haines reconvened the meeting at 7:33 p.m.

ADJOURNMENT

Commissioner Nick Badwey moved to adjourn the meeting at 7:33 p.m.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

City Clerk Tabitha D. Sharp

Mayor Vince Haines

EL DORADO CITY SPECIAL COMMISSION MEETING

May 10, 2017

The El Dorado City Commission met in special session on May 10, 2017 at 4:00 pm at City Hall with the following present: Mayor Vince Haines, Commissioner Chase Locke, Commissioner Gregg Lewis, Commissioner Nick Badwey, Commissioner Kendra Wilkinson, City Manager David Dillner, Finance Director Tammy Schaffer, City Engineer Scott Rickard and City Clerk Tabitha Sharp.

VISITORS

Kurt Bookout	220 E 1 st	El Dorado, KS
Steve Moody	220 E 1 st	El Dorado, KS
Brad Meyer	220 E 1 st	El Dorado, KS
Kevin Wishart	220 E 1 st	El Dorado, KS
Chad Young	220 E 1 st	El Dorado, KS
Jason Reiswig	220 E 1 st	El Dorado, KS
Jason Hughey	220 E 1 st	El Dorado, KS
Jason Patty	220 E 1 st	El Dorado, KS
Jennifer Cook	220 E 1 st	El Dorado, KS
Vicki Bell	El Dorado Broncos	El Dorado, KS
Marlene Avery	El Dorado Band	El Dorado, KS
Kristi Jacobs	Bradford Memorial Library	El Dorado, KS
Linda Jolly	El Dorado Inc.	El Dorado, KS

CALL TO ORDER

Mayor Vince Haines called the May 10, 2017 Special City Commission meeting to order at 4:00 p.m.

UPCOMING AGENDA ITEMS

City Manager David Dillner reviewed the items that would be placed on the next agenda.

ADVISORY BOARD APPOINTMENTS

City Clerk Tabitha Sharp stated that Dan Bullock has filled out a renewal application for the Planning Commission. She stated that he would fill the spot for an outside city representative.

FIRST QUARTER TREASURER'S REPORT

City Manager David Dillner reviewed the first quarter treasurer's report. He stated that the first quarter is difficult to judge because several large annual payments are taken out and so the percentages are skewed.

2018 PROPOSED BUDGET DISCUSSION

Staff presented the Commission with the 2018 proposed budget.

The City Commission requested a line item budget for review.

REPORTS

CITY COMMISSION

None.

CITY MANAGER

City Manager David Dillner stated that the Haverhill Beautification Committee approached him with a request for the City to forgive the debt owed by the committee and a request for an additional \$2,000 for the monument sign.

The City Commission agreed that they would forgive the debt, but no additional funding would be given to the committee.

ADJOURNMENT

Commissioner Nick Badwey moved to adjourn the meeting at 5:43 p.m.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

City Clerk Tabitha D. Sharp

Mayor Vince Haines

EL DORADO CITY SPECIAL COMMISSION MEETING

May 24, 2017

The El Dorado City Commission met in special session on May 24, 2017 at 4:00 pm at City Hall with the following present: Mayor Vince Haines, Commissioner Chase Locke, Commissioner Gregg Lewis, Commissioner Nick Badwey, Commissioner Kendra Wilkinson, City Manager David Dillner, Finance Director Tammy Schaffer, City Engineer Scott Rickard and City Clerk Tabitha Sharp.

VISITORS

Kurt Bookout	220 E 1 st	El Dorado, KS
Steve Moody	220 E 1 st	El Dorado, KS
Brad Meyer	220 E 1 st	El Dorado, KS
Kevin Wishart	220 E 1 st	El Dorado, KS
Curt Zieman	220 E 1 st	El Dorado, KS
Jason Patty	220 E 1 st	El Dorado, KS
Vicki Bell	El Dorado Broncos	El Dorado, KS
Marlene Avery	El Dorado Band	El Dorado, KS
Kristi Jacobs	Bradford Memorial Library	El Dorado, KS
Linda Jolly	El Dorado Inc.	El Dorado, KS
Emily Connell	Main Street	El Dorado, KS
Andrew Conard	Main Street	El Dorado, KS

CALL TO ORDER

Mayor Vince Haines called the May 24, 2017 Special City Commission meeting to order at 4:00 p.m.

UPCOMING AGENDA ITEMS

City Manager David Dillner reviewed the items that would be placed on the next agenda.

WATER AND SEWER READINESS TO SERVE FEES

Staff requested an increase in readiness to serve fees for water and sewer in order to cover debt service based on a suggestion from our financial advisors.

COURT COST INCREASE

Police Chief Curt Zieman presented the proposed court cost increase to the City Commission.

2018 PROPOSED BUDGET DISCUSSION

Staff presented more information on the 2018 proposed budget. Recommendations were made to the Commission to either increase the mill levy, approve a half cent sales tax

increase or cut more services. The City Commission requested another review at the first work session in June.

PARKS AND RECREATION MASTER PLAN

The City Commission discussed the task force meetings and directed staff to meet with the task force and explain the current budget forecast.

REPORTS

CITY COMMISSION

None.

CITY MANAGER

None.

ADJOURNMENT

Commissioner Chase Locke moved to adjourn the meeting at 6:38 p.m.

Commissioner Gregg Lewis seconded the motion.

Motion carried 5 – 0.

City Clerk Tabitha D. Sharp

Mayor Vince Haines

TO: City Commission
FROM: Tabitha Sharp, City Clerk
SUBJ: Creation of Holiday Inn Community Improvement District (CID)
DATE: May 31, 2017

Background:

The City Commission has received a petition for a CID to be located at 3100 W El Dorado Avenue. This Community Improvement District will levy a 2% sales tax to all sales on the property. The sales tax paid to the State of Kansas will then be returned to the property owner for the purpose of renovating the hotel facility.

Policy Issue:

The City Commission is asked to consider whether to grant the creation of the Holiday Inn Express Community Improvement District for economic development purposes.

Alternatives:

The City Commission may choose to not approve the Ordinance.

Fiscal Impact:

The fiscal impact to the City is positive with no risk. The proposed improvements will be financed by the petitioner and paid back with a 2% bed tax increase to hotel rooms. Impact to the city, at-large, is also expected to be non-existent, as bed tax is typically paid by residents outside of the community.

Trade-offs:

Although the negative impacts to the City are anticipated to be non-existent, the Commission should always ensure that applications for any and all economic development related incentives meet strict guidelines and are “fair” and “equitable.”

Staff Recommendation:

Approve the Ordinance.

Commission Actions:

Commissioner _____ moved to approve Ordinance No. _____, an Ordinance authorizing the creation of the Holiday Inn Express Community Improvement District in the City of El Dorado, Kansas; authorizing the reimbursement of certain economic development project costs incurred within said district; authorizing the imposition of a Community Improvement District sales tax to be collected within said district; and authorizing the execution of a development agreement relating to said district.

Commissioner _____ seconded the motion.

Roll Call Vote

	Mayor Vince Haines	_____
Position No. 1	Commissioner Chase Locke	_____
Position No. 2	Commissioner Gregg Lewis	_____
Position No. 3	Commissioner Nick Badwey	_____
Position No. 4	Commissioner Kendra Wilkinson	_____

DEVELOPMENT AGREEMENT

BETWEEN

THE CITY OF EL DORADO, KANSAS

AND

CENTRAL KANSAS PROPERTIES, LLC

FOR IMPLEMENTATION OF THE

**HOLIDAY INN EXPRESS
COMMUNITY IMPROVEMENT DISTRICT**

DATED AS OF JUNE 5, 2017

DEVELOPMENT AGREEMENT
EL DORADO, KANSAS
HOLIDAY INN EXPRESS
COMMUNITY IMPROVEMENT DISTRICT

This Development Agreement for implementation of the Holiday Inn Express Community Improvement District (the "Agreement") is entered into by and between the **CITY OF EL DORADO, KANSAS**, a municipal corporation (the "City") and **CENTRAL KANSAS PROPERTIES, LLC**, a Kansas limited liability company (the "Developer") (collectively referred to as the "Parties"), is dated as of the Dated Date and effective as of the Effective Date. In consideration of the mutual covenants and agreements contained herein, the Parties agree as follows:

Section 1. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the hereinafter defined Act. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

"Act" means the Constitution and statutes of the State including K.S.A. 12-6a26 *et seq.*, as amended and supplemented from time to time.

"Certificate of Full Completion" means a certificate in substantially the form attached as *Exhibit D* hereto furnished by the Developer and approved by the City pursuant to **Section 6** upon the completion of the Project.

"CID Sales Tax" means the two percent (2%) special Community Improvement District Sales Tax levied within the District and collected pursuant to K.S.A. 12-6a31, as amended.

"CID Sales Tax Fund" means the Holiday Inn Express Community Improvement District Sales Tax Fund created pursuant to **Section 5** hereof.

"City" means the City of El Dorado, Kansas.

"City Administrative Fee" means an amount equal to 5% of the CID Sales Tax.

"City Administrator" means the duly appointed City Manager, or in the City Manager's absence, the duly appointed Acting City Manager of the City.

"City Attorney" means the duly appointed City Attorney, or in the City Attorney's absence, the duly appointed Acting City Attorney of the City.

"Clerk" means the duly appointed Clerk or, in the Clerk's absence, the duly appointed Deputy Clerk or Acting Clerk of the City.

"Dated Date" means June 05, 2017.

"Department of Revenue" means the Department of Revenue of the State.

"Developer" means Central Kansas Properties, LLC, a Kansas limited liability company, and its successors and assigns.

“District” means the Holiday Inn Express Community Improvement District established by the City pursuant to the Ordinance which contains within its boundaries the real property legally described in **Exhibit A** attached hereto and the boundaries of which are contained in a map of the District attached as **Exhibit B** attached hereto.

“Effective Date” means the last date on which all of the Parties have executed this Agreement, as reflected on the signature page(s) hereof.

“Eligible Cost” means all Costs (as such term is defined in the Act) of the Project eligible to be paid or reimbursed pursuant to the Act.

“Facility” means the hotel facility including land and parking lot all located at 3100 W. El Dorado Avenue within the City, the legal description of which is attached as **Exhibit A**.

“Franchise Agreement” means the agreement entered into in September, 2017 between the Developer and Intercontinental Hotels Group, granting the Developer the legal right to operate the Facility as a Holiday Inn Express hotel.

“Franchise Term” means: (a) the period of time during which the Facility is operating as a Holiday Inn Express under the terms of the Franchise Agreement; or (b) operating as an equivalent branded facility as set forth in **Section 10** hereof, provided that such term shall not extend beyond the expected 15 year term of the Franchise Agreement.

“Governing Body” means the City Commission of the City.

“Mayor” means the duly elected and acting Mayor, or in the Mayor's absence, the duly appointed and/or elected Vice Mayor or Acting Mayor of the City.

“Notice Address” means with respect to the following entities:

(a) To the City at:

City Hall
220 East First
El Dorado, Kansas 67042
Fax: (316) 321-9100

(b) To the Developer at:

Central Kansas Properties, LLC
c/o Wade Wilkinson
1100 S. Denver Street
El Dorado, Kansas 67042

“Notice Representative” means:

(a) With respect to the City, the City Administrator with a copy to the Clerk and City Attorney.

(b) With respect to the Developer, its Manager.

“Ordinance” means Ordinance No. _____ passed by the Governing Body of the City authorizing the creation of the District, as amended from time to time.

“Parties” means, collectively, the City and the Developer.

“Petition” means the Petition for the Creation of a Community Improvement District, dated as of April 29, 2017, signed by the Developer and filed with the Clerk on April 29, 2017.

“Project” means the improvements and enhancements to the Facility generally described on *Exhibit C* hereto, as may be modified from time to time by the Parties.

“Project Costs” means the costs and expenses of the Project described in K.S.A. 12-6a27, as amended, and as generally set forth on *Exhibit C*.

“Reimbursement Date” means each January 1, April 1, July 1 and October 1, beginning on the first Reimbursement Date after the Project is completed and the City has accepted the Certificate of Full Completion as set forth in **Section 6**.

“State” means the state of Kansas.

Section 2. District Formation and Purpose. The Developer has filed the Petition with the Clerk requesting the creation of the District. The Developer is the owner of all the land area proposed to be within the boundaries of the District (the “Project Site”). The Governing Body has, in accordance with the provisions of the Act, adopted a resolution calling and providing for notice of a public hearing on the advisability of creating the District. The Clerk has provided for publication of such resolution and dissemination of notice of such public hearing in accordance with provisions of the Act. At the conclusion of the public hearing, the Governing Body will consider passage of the Ordinance creating the District, the passage and publication thereof to be a prerequisite to the execution of this Agreement.

The purpose of creating the District is to provide the Developer with an economic incentive to undertake the Project and to provide for further economic development of the City. The purpose of this Agreement is to outline the rights, duties and obligations of the Parties as they relate to the District and to provide for the reimbursement to the Developer of the Eligible Costs, but solely from the proceeds of the CID Sales Tax.

Section 3. Representations of the Parties.

(a) The City is a municipal corporation and a city of the second class organized under the laws of the State. The City is authorized pursuant to the Act to create the District, levy the CID Sales Tax, to enter into this Agreement and to perform the duties and obligations of the City contained herein. The Governing Body has taken all requisite action to pass the Ordinance, which authorizes the execution of this Agreement, creates the District and levies the CID Sales Tax. The Agreement constitutes a valid and binding obligation of the City in accordance with its terms.

(b) The Developer is a limited liability company duly organized and existing under the laws of the State. Throughout the term of this Agreement, Developer agrees to maintain its status as such an entity, in good standing and authorized to do business in the State. The Developer has taken all requisite action under its organizational documents to authorize the execution of this Agreement and to perform the duties and obligations of the Developer contained herein. The Agreement constitutes a valid and binding obligation of the Developer in accordance with its terms.

Section 4. Project Costs and City Expenses.

(a) Project Costs. A description of the scope of the Project and Project Costs, as estimated and submitted by the Developer, are set forth on **Exhibit C** attached hereto. The Developer represents that each of such costs is an Eligible Cost. In no event shall any legal fees incurred by the Developer be construed as Project Costs. The Parties agree that the amounts of the Project Costs may be adjusted among any of the stated categories, except as provided herein, or, with the prior written consent of the City, to pay additional Eligible Costs not specifically listed on **Exhibit C**.

The Project Costs will be paid by or on behalf of the Developer as a Pay-As-You-Go-Financing under the Act. The City will not advance any City funds for the payment of any Project Costs and will not provide any financing therefore, including issuance of any bonds. Project Costs incurred by the Developer, and eligible for reimbursement hereunder, will be paid by the City to the Developer or such other financial institution as Developer may direct in writing, solely and only from proceeds of CID Sales Tax actually received by the City from the Department of Revenue, in accordance with **Section 5** of this Agreement.

(b) City Expenses. The City shall retain outside administrative and professional staff, outside counsel and consultants, and incur expenses which it, in its reasonable discretion, deems necessary to:

- i. Consider the establishment of a CID in accordance with the provisions of the CID Act, give all notices, make all publications, hold all hearings as required by the CID Act and prepare any required resolutions or ordinances to establish the CID; and
- ii. Prepare this Agreement.

The Developer shall be responsible for and pay the reasonable City out-of-pocket expenses in connection with the establishment of the CID and preparation of this Agreement, including (a) all charges for the City Attorney, the City's outside counsel and consultants; and (b) all other out-of-pocket expenses incurred by the City, including, but not limited to, publication and notice expenses. Such expenses shall be due and payable within 30 days after receipt of notice of such expense is received by the Developer, along with reasonably supportive documentation evidencing the same. The amount of such expenses paid by the Developer shall be deducted from the initial City Administrative Fee paid pursuant to the provisions of **Section 5(c)** of this Agreement; provided however, that notwithstanding any provision herein to the contrary, any such expenses not timely paid by the Developer shall, upon notice to the Developer, be paid from CID Sales Tax prior to disbursement of CID Sales Tax to the Developer pursuant to Section 5 of this Agreement.

Section 5. Administration of CID Sales Tax.

(a) The City shall provide notification to the Department of Revenue within [30] days of the passage of the Ordinance to commence the collection and reporting of the CID Sales Tax within the District in accordance with the provisions of the Act. The Parties acknowledge that the CID Sales Tax may only commence on January 1, April 1, July 1 or October 1 of any year, and that 90 days' notice must be given to the Department of Revenue before the CID Sales Tax may commence. The CID Sales Tax shall expire upon the earlier of: (a) the end of the Franchise Term; or (b) upon receipt of sufficient CID Sales Tax revenues to pay all Project Costs and the City Administrative Fee.

(b) Pursuant to the Act, the City shall establish the CID Sales Tax Fund as a segregated fund within the treasury of the City, which shall be held and administered by the City in trust for the benefit of the District in accordance with this Agreement. Revenues collected from the CID Sales Tax received by the City from the Department of Revenue shall be deposited in the CID Sales Tax Fund and shall not be commingled with any other funds of the City.

(c) The City shall be entitled to withdraw the City Administrative Fee from each distribution

of CID Sales Tax received by the City from the Department of Revenue, as payment for the City's cost of administering the District.

(d) The Developer agrees to make reasonable effort to cause all assignees, purchasers, tenants, subtenants or any other entity acquiring property or occupancy rights in the District to provide to the City a consent to release information regarding aggregate CID Sales Tax generated within the District to the Developer, any trustee or escrow agent appointed by the City with respect to the CID Sales Tax revenues, and the City's accountants, financial advisors and legal counsel.

(e) Except as provided in this **Section 5(d)**, and to the extent it may legally do so, information obtained pursuant to this Section shall be kept confidential by the City in accordance with K.S.A. 75-5113, 79-3234 and 79-3657. In furtherance of maintaining the confidentiality of the information provided in this section, the City shall take all reasonable steps necessary to ensure that such information is kept confidential.

Section 6. Reimbursement Procedures; Certificate of Full Completion. Reimbursement of Project Costs is conditioned upon the following:

(a) Promptly after completion of the Project in accordance with the provisions of this Agreement, the Developer will submit a Certificate of Full Completion to the City. Full Completion means that the Developer or its successor or assigns have completed all work with respect to the Project. The Certificate of Full Completion will be in substantially the form attached as **Exhibit D**. The City will, within thirty (30) days following delivery of the Certificate of Full Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Full Completion. The Certificate of Full Completion shall be deemed accepted by the City unless, prior to the end of such 30-day period after delivery, the City furnishes the Developer with specific written objections, describing such objections and the measures required to correct such objections in reasonable detail. The City's execution of the Certificate of Full Completion will constitute evidence of the satisfaction of the Developer's agreements and covenants to construct the Project.

(b) Once the Project is completed, the Developer shall submit to the City Administrator a Certification of Expenditures (in substantially the form attached to this Agreement as **Attachment 1** to the Certificate of Full Completion) signed by the Developer, with supporting documentation identifying the Project Costs for which the Developer seeks reimbursement. The supporting documentation shall be copies of invoices reflecting amounts billed, copies of checks, evidence of wire transfer or other payment of cash by the Developer for the Project Costs, lien waivers or other evidence that no mechanic's liens exist with respect to the construction of the Project for which reimbursement is sought, and such other documentation as the City shall reasonably request. Each invoice shall contain a certification by the Developer that each Project Cost submitted for reimbursement is an Eligible Cost, that such expense has been incurred by the Developer, and that such expense has not been previously submitted for reimbursement hereunder.

(c) The City Administrator shall determine whether the Project Cost submitted is payable under the terms of this Agreement within ten (10) business days of the date the voucher is submitted by the Developer. If the City Administrator does not provide a response within such time period, the cost submitted on the voucher shall be deemed approved. If the City Administrator determines that such cost is not a Project Cost eligible for reimbursement under the terms of this Agreement, the City Administrator shall notify the Developer of such determination in writing, setting forth in detail the basis for such denial. The Developer may appeal such denial to the Governing Body by filing a written request to be heard by the Governing Body with the Clerk within seven (7) business days of the receipt of the written denial. The Governing Body shall consider the appeal and render a decision thereon within thirty (30) days of receipt of the appeal.

(d) If money is available in the CID Sales Tax Fund, after payment of the City Administrative Fee, the requested reimbursement(s) shall be paid to the Developer or such other financial institution as Developer may direct in writing on each Reimbursement Date.

(e) If the approved voucher for Project Costs reimbursement exceeds the amount then available in the CID Sales Tax Fund after payment of the City Administrative Fee on a given Reimbursement Date, such voucher or balance thereof shall be paid on the subsequent Reimbursement Date. The City shall have no obligation to make any reimbursement payments to the Developer under this Agreement so long as the Developer is in default of any provision of this Agreement.

Section 7. City and Other Governmental Permits. Before beginning construction of any aspect of the Project, the Developer shall, at its expense, obtain or cause to be obtained any necessary permits or licenses which may be required by the City, Butler County or any other governmental agency having jurisdiction over the Project. The City agrees to provide all customary assistance to the Developer in obtaining construction permits issued by the City.

Section 8. Rights of Access. For purposes of insuring compliance with this Agreement, representatives of the City shall have rights of access to the Project, without charges or fees, during normal business hours during the period of Project construction to inspect work performed or being performed in the construction of the Project. City representatives shall carry proper identification, insure their own safety and shall not interfere with construction activity unless such activity is apparently in violation of this Agreement, City codes, state or federal regulations, statutes or other law. The right of access granted by this Section shall be in addition to the City's rights to access the Project in the exercise of its proper authority to regulate for and provide for public safety.

Section 9. No Obligation to Build. Nothing contained in this Agreement shall require Developer to construct any or all aspects of the Project; provided, however, if construction of the Project has not commenced within 12 months of the Effective Date of this Agreement, this Agreement shall terminate and the City may take action to terminate the District.

Section 10. Additional Condition to Reimbursement for Project Costs. In order to continue to qualify for reimbursement of Project Costs from the CID Sales Tax, the Project must at all times during the Term of this Agreement be maintained as a Holiday Inn Express, or with the prior written notice to the City, a different branded facility with a national franchise recognized by the Smith Travel Research Chain Scale Report. The Parties hereto acknowledge and agree that, as of the Effective Date, the Project operates under a Holiday Inn Express franchise flag.

Section 11. Default and Remedies.

(a) The failure or delay by either of the Parties to this Agreement to perform any term or provision of this Agreement required of such Party, shall constitute an event of default under this Agreement, subject to rights of cure, as specified below.

(b) Notice of an event of default shall be given by the Party claiming such default to the other Party and shall contain the basis of the claimed default.

(c) No legal proceedings against the claimed defaulting party shall be instituted nor shall the claiming Party be entitled to damages if, within fourteen (14) days from the receipt of a notice of claimed default, the claimed defaulting Party undertakes acts to cure, correct or remedy such claimed default, proceeds with due diligence to complete such cure, correction or remedy and such cure correction or remedy is completed within thirty (30) days of the date such claimed defaulting Party received a notice of default. If the Party claimed to be in default cannot reasonably cure such claimed default within thirty (30) days,

the claimed defaulting Party shall notify the other Party of such assertion with a proposed date to complete the cure; and default shall be suspended if the claimed defaulting Party commences curing the default within fourteen (14) days after receipt of written notice thereof and diligently prosecutes the cure to completion within the time period set forth in notice to the Party claiming the default.

(d) In the event the defaulting Party does not cure the event of default as set forth in this Section, the non-defaulting Party shall have the right to:

(1) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of the non-defaulting Party against the defaulting Party and to require and compel duties and obligations required by the provisions of the Agreement or by the laws of the State;

(2) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the non-defaulting Party;

(3) terminate this Agreement;

(4) in the case of a failure by the Developer to comply with the provisions of Section 10 hereof, terminate the District; or

(5) take such other action as may be permitted under the laws of the State.

Section 12. Governing Law, Jurisdiction.

(a) This Agreement shall be governed by, interpreted and enforced pursuant to the laws of the State.

(b) The Parties agree that any legal actions arising out of this Agreement will be instituted in the District Court of Butler County, Kansas or, in the case of federal jurisdiction, in the Federal District Court for the District of Kansas.

Section 13. Rights and Remedies Cumulative, Waivers. Except as otherwise expressly provided in this Agreement, the rights and remedies of the Parties shall be cumulative, and the exercise by one party of one or more such rights shall not preclude the exercise by it, at the same or different times, of any other rights or remedies specified herein. Any failure or delay by either party in asserting any of its rights and remedies as to any default hereunder shall not operate as a waiver of such default or of any rights or remedies specified hereunder, or deprive either party of its right to assert and enforce any such right or remedy.

Section 14. Amendments. The Developer and the City agree to cooperate and consider reasonable requests for amendments to this Agreement, provided that, any such amendments must be approved by the Governing Body and the Developer, shall be in writing, and shall not cause the Agreement to be in violation of the Act.

Section 15. Term. This Agreement shall commence on the Effective Date and shall terminate at such time as the CID Sales Tax is no longer in effect, as set forth in **Section 5** hereof.

Section 16. Transfer and Assignment. Subject to the specific requirements **Section 10** hereof, the Developer may assign this Agreement and the rights, duties and obligations hereunder upon 30 days written notice to the City. The Developer may assign or pledge its rights to payments due to the Developer pursuant to this Agreement upon written notice to the City, including a copy of any agreement evidencing such assignment or pledge to such third party.

Section 17. Notices, Demands, Communications Among Parties. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Agreement shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. The Parties may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent. All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; and (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt.

Section 18. Entire Agreement. This Agreement is executed in duplicate originals, each of which shall be considered an original. This Agreement, including the Exhibits hereto constitutes the entire agreement and understanding of the Parties. This Agreement supersedes all negotiations or previous agreements between the parties or their predecessors in interest with respect to all of any part of the subject matter of this Agreement.

Section 19. Electronic Transactions. The transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Section 20. Severability. The invalidity or inability to enforce any one or more phrases, sentences, clauses or sections of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement.

Section 21. No Liability of City Officials or Employees. All liabilities under this Agreement on the part of the City are solely corporate liabilities of the City, and, no officer, employee, or agent of the City shall have any personal or individual liability under this Agreement for anything done or omitted to be done by the City hereunder.

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as the dates set forth opposite the signatures and represent that the individuals executing this Agreement on behalf of the Parties have the express authority to do so.

CITY OF EL DORADO, KANSAS

(SEAL)

Mayor

ATTEST:

City Clerk

**CENTRAL KANSAS PROPERTIES, LLC.,
a Kansas limited liability company**

By: _____
Name: Wade Wilkinson
Title: Managing Member

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EXHIBIT A
Legal Description of District

Lot 2, Block 1, EL DORADO BUSINESS PARK, an Addition to the City of El Dorado,
Butler County, Kansas.

EXHIBIT B
Map of District

EXHIBIT C
Project Description and Estimated Costs

Project Description: Construction of Improvements to an existing hotel facility

DESCRIPTION OF WORK	AMOUNT
Furniture, Fixtures & Equipment	\$650,000
Flooring	200,000
Building Renovation	<u>250,000</u>
Total	\$1,100,000

EXHIBIT D

EXHIBIT D

FORM OF CERTIFICATE OF FULL COMPLETION

The undersigned, Central Kansas Properties, LLC (the “**Developer**”), pursuant to that certain Development Agreement dated as of June 5, 2016, between the City of El Dorado, Kansas (the “**City**”) and the Developer (the “**Agreement**”), hereby certifies to the City as follows:

1. That as of _____, 20____, the construction, renovation, repairing, and equipping of the Project (as such term is defined in the Agreement) has been substantially completed in accordance with the Agreement.
2. The Project has been completed in a good and workmanlike manner and in accordance with and contains all components of the Project required by or described in the Agreement.
3. This Certificate of Full Completion is being issued by the Developer to the City in accordance with the Agreement to evidence the Developer’s satisfaction of all obligations and covenants with respect to the Project.
4. The City’s acceptance (below) or the City’s failure to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate to the City (which written objection, if any, must be delivered to the Developer prior to the end of such 30-day period) shall evidence the satisfaction of the Developer’s agreements and covenants to construct the Project.

This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

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IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this _____ day of _____, _____.

DEVELOPER:

CENTRAL KANSAS PROPRTIES, LLC

By: _____

Name: _____

Title: _____

ACCEPTED:

CITY OF EL DORADO, KANSAS

By: _____

Name: _____

Title: _____

FORM OF CERTIFICATION OF EXPENDITURES

Request No. _____

Date: _____

Pursuant to the Development Agreement (the “**Agreement**”) for the Holiday Inn Express Community Improvement District between the City of El Dorado, Kansas and the undersigned (the “**Developer**”), the Developer requests reimbursement and hereby states and certifies as follows:

1. The date and number of this request are as set forth above.
2. All terms in this request shall have and are used with the meanings specified in the Agreement.
3. The names of the persons, firms or corporations to whom the payments have been made and reimbursement is hereby requested, the amounts to be reimbursed and the general classification and description of the costs for which each obligation requested to be reimbursed hereby was incurred are as set forth on **Attachment 1** hereto.
4. These costs have been incurred and are reasonable costs that are reimbursable under the Agreement.
5. Each item listed above has not been previously reimbursed from the CID Sales Tax Fund and no part thereof has been included in any other Certification of Expenditures or other disbursement request previously filed with the City.
6. Reimbursement payments should be made on behalf of the Developer to the following financial institution:

[Community National Bank
301 N. Main
Newton, KS 67114
Attention: Vincent Minter]

CENTRAL KANSAS PROPERTIES, LLC

By: _____
Title: _____

Approved this ____ day of _____, 20__

CITY OF EL DORADO

By: _____
City Representative

**ATTACHMENT I
TO CERTIFICATION OF EXPENDITURES**

Payee Name	Date of Payment	Purpose or Nature of Payment	Amount
-------------------	------------------------	-------------------------------------	---------------

Initials: Developer

Note: Copies of bills, contracts, checks and other evidence reflecting the amounts shown above (as described in Section 6 of the Agreement) should be attached to this Schedule.

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF EL DORADO, KANSAS
HELD ON JUNE 5, 2017**

The governing body met in regular session at the usual meeting place in the City, at 6:30 p.m., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

The Mayor convened a public hearing, for the purpose of receiving written or oral comments regarding the creation of Holiday Inn Express Community Improvement District and the imposition of a CID Sales Tax to be levied within said district. Thereafter, the Mayor adjourned the public hearing.

Thereupon, there was presented an Ordinance entitled:

AN ORDINANCE AUTHORIZING THE CREATION OF THE HOLIDAY INN EXPRESS COMMUNITY IMPROVEMENT DISTRICT IN THE CITY OF EL DORADO, KANSAS; AUTHORIZING THE REIMBURSEMENT OF CERTAIN ECONOMIC DEVELOPMENT PROJECT COSTS INCURRED WITHIN SAID DISTRICT; AUTHORIZING THE IMPOSITION OF A COMMUNITY IMPROVEMENT DISTRICT SALES TAX TO BE COLLECTED WITHIN SAID DISTRICT; AND AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT RELATING TO SAID DISTRICT.

Thereupon, Commissioner _____ moved that said Ordinance be passed. The motion was seconded by Commissioner _____. Said Ordinance was duly read and considered, and upon being put, the motion for approval was carried by the vote of the governing body, the vote being as follows:

Yea:

Nay:

Thereupon, the Mayor declared said Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. G-_____, was signed by the Mayor and attested by the City Clerk and was directed to be published one time in the official newspaper of the City and recorded with the Register of Deeds of Butler County, Kansas.

(Other Proceedings)

* * * * *

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of El Dorado, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

City Clerk

(Published in the *Butler County Times-Gazette* on June 10, 2017)

ORDINANCE NO. G-____

AN ORDINANCE AUTHORIZING THE CREATION OF THE HOLIDAY INN EXPRESS COMMUNITY IMPROVEMENT DISTRICT IN THE CITY OF EL DORADO, KANSAS; AUTHORIZING THE REIMBURSEMENT OF CERTAIN ECONOMIC DEVELOPMENT PROJECT COSTS INCURRED WITHIN SAID DISTRICT; AUTHORIZING THE IMPOSITION OF A COMMUNITY IMPROVEMENT DISTRICT SALES TAX TO BE COLLECTED WITHIN SAID DISTRICT; AND AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT RELATING TO SAID DISTRICT.

WHEREAS, pursuant to K.S.A. 12-6a26 *et seq.*, as amended (the “Act”), cities are authorized to create community improvement districts as a method of financing economic development related improvements in a defined area within the city; and

WHEREAS, the City of El Dorado, Kansas (the “City”) is a city within the meaning of the Act; and

WHEREAS, on April 29, 2017, a petition (the “Petition”) was filed with the requesting (a) that the community improvement district described therein (the “District”) be created; (b) that the City levy a community improvement district sales tax within the District in the amount of 2.0% for a period not to exceed 22 years or as further limited by the hereinafter defined Development Agreement (the “CID Sales Tax”); and (c) that the community improvement district project costs to be incurred within the District be financed on a pay-as-you-go basis, all in accordance with the Act; and

WHEREAS, said Petition was signed by Central Kansas Properties, LLC, (the “Developer”) as owner of record of all of the land area within the proposed District; and

WHEREAS, the Act provides that prior to creating any community improvement district and imposing a community improvement district sales tax, the governing body shall, by resolution, direct and order a public hearing on the advisability of creating such community improvement district and the construction of such community improvement district projects therein, and to give notice of the hearing by publication at least once each week for two (2) consecutive weeks in the official city newspaper and by certified mail to all property owners within the proposed community improvement district, the second publication to be at least seven (7) days prior to the hearing and such certified mail sent at least ten (10) days prior to such hearing; and

WHEREAS, the City Commission of the City (the “Governing Body”) adopted Resolution No. 2840 on May 1, 2017 (the “Resolution”) directing that a public hearing on the proposed District be held on June 5, 2017, declaring an intent to levy the CID Sales Tax, and directing the City Clerk to provide for notice of such public hearing as set forth in the Act; and

WHEREAS, the Resolution containing the following information: (a) the time and place of the hearing; (b) the general nature of the proposed community improvement district project; (c) the estimated

costs of the proposed community improvement district project; (d) the proposed method of financing the costs of the community improvement district project; (e) the proposed amount of the community improvement district sales tax; and (f) the map or boundary description of the proposed District, was published once each week for two (2) consecutive weeks in the *Butler County Times-Gazette*, the official City newspaper, on May 6, 2017 and May 13, 2017; and

WHEREAS, a copy of the Resolution was mailed by certified mail to the all property owners within the proposed District on May 22, 2017, which was not less than ten (10) days prior to the date set for the public hearing, and

WHEREAS, on June 5, 2017, the Governing Body convened a public hearing on the proposed District, the proposed community improvement district project, maximum costs thereof and the imposition of the CID Sales Tax (the “Public Hearing”); and

WHEREAS, the Developer has presented to the Governing Body a proposed Development Agreement (the “Development Agreement”) relating to the District that establishes the duties and responsibilities of the Developer and the City with respect to the District; and

WHEREAS, the Governing Body hereby finds and determines it to be advisable to create the Holiday Inn Express Community Improvement District, establish the boundaries thereof, authorize the community improvement district project relating thereto, approve the estimated costs of such community improvement district project and approve the CID Sales Tax, all in accordance with the provisions of the Act; and

WHEREAS, Governing Body hereby further finds and determines it to be advisable to enter into the Development Agreement.

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

Section 1. Creation of District; Boundaries. Based on the Petition and the information provided at the Public Hearing, the Governing Body hereby creates the District within the City, which shall be designated as the Holiday Inn Express Community Improvement District. The District shall contain within its boundaries the real property legally described as follows:

Lot 1, Block 1, EL DORADO BUSINESS PARK, an Addition to the City of El Dorado,
Butler County, Kansas.

A map of the District attached as *Exhibit A* attached hereto.

Section 2. Authorization of District Projects; Estimated Costs. The proposed project to be undertaken within the District consists of costs incurred in connection with the acquisition, construction and equipping of improvements to an existing hotel located at 3100 W. El Dorado Avenue in the City of El Dorado, Kansas (the “Project”). The total estimated cost to acquire, construct and equip the Project is \$1,100,000, plus interest accrued on borrowed money during construction of the Project and the City’s administrative costs (collectively, the “Project Costs”).

Section 3. Method of Financing; Levy of Sales Tax. In order to provide funds to finance the Project Costs, it is advisable to levy, in accordance with the provisions of the Act, the CID Sales Tax within the District in an amount of 2.0% on the selling of tangible personal property at retail or rendering or furnishing services within the District. There will be no special assessments levied on property within the boundaries of

the District to pay the Project Costs. The Project will be privately financed. The Project Costs will be financed on a pay-as-you-go-basis, i.e., the Project Costs will be paid for by the Developer without the issuance of notes or bonds of the City. The District fund is hereby established for the District in accordance with the provisions of the Act. Upon furnishing the Certificate of Full Completion (as defined in the Development Agreement), the Developer will be reimbursed for the Project Costs as moneys are deposited and available in the District fund through funds derived by the City from the collection of the CID Sales Tax.

The collection of the Sales Tax shall commence on the earliest day permitted by the Act, and expire upon the earlier of: (1) the expiration of the Franchise Term; (2) upon receipt of sufficient CID Sales Tax revenues to pay all Project Costs and the City Administrative Fee; or (3) an Event of Termination occurs (all as such terms are defined in the Development Agreement). The Sales Tax shall be administered, collected and subject to the provisions of K.S.A. 12-187 *et seq.* The City Clerk, upon adoption of this Ordinance, shall provide a certified copy of the same to the State Director of Taxation pursuant to K.S.A. 12-189.

Section 4. Approval of Development Agreement. The Development Agreement is hereby approved. The Mayor and City Clerk are hereby authorized to execute the Development Agreement in the substantially the form presented to the Governing Body this date, with such changes as may be approved by the City Attorney.

Section 5. Effective Date. This Ordinance shall be in force and take effect from and after its passage, approval and publication once in the official City newspaper.

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PASSED by the Governing Body of the City of El Dorado, Kansas on June 5, 2017 and **SIGNED** by the Mayor.

(SEAL)

Mayor

ATTEST:

City Clerk

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on June 5, 2017; that the record of the final vote on its passage is found on page ____ of journal ____; and that it was published in the ***Butler County Times-Gazette*** on June 10, 2017.

DATED: June 10, 2017.

City Clerk

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EXHIBIT A
Map of District



TO: City Commission
FROM: Engineering Department
SUBJ: Public Hearing for Project No. 513
DATE: May 22, 2017

Background:

The Commission set this day to hold a public hearing to hear from owners within the Improvement District for the extension of Country Club Rd. With the pending construction of a new elementary school at the intersection of Country Club Rd. and 29th St., the City will need to make improvements to Country Club Rd. from McCollum Rd. to 29th St. Due to the complex nature and makeup of the Improvement District the Commission will need to initiate this project for it to move forward. If after the Public Hearing the Commission initiates the project, owners will have 20 days to file a protest petition after publication of the resolution. For the protest to be valid both 51% or more of the resident owners and owners of more than half of the property within the Improvement District must sign the petition.

Policy Issue:

The City Commission must hold a public hearing to allow citizens to express concerns regarding the project.

Alternatives:

Not applicable.

Fiscal Impact:

The total estimated cost of the project is \$1,291,548.72. The costs assessed to the improvement district will be \$382,803.98 and city-at-large costs will be \$908,744.74, which includes \$280,307.69 of costs attributable to properties served by the improvements but which are outside the City limits. The total cost of the project will be bonded, therefore allowing the improvement district to pay off the debt over a twenty year period. USD 490 will make the determination at the end of their project if sufficient cash is available to pay off their portion instead of allowing it to go to specials. The city-at-large portion of the bond will be paid off through the bond and interest fund. The \$280,307.69 which the City is carrying for the properties outside the City Limits will be payable back to the City if the land is platted and annexed into our limits.

Trade-offs:

The decision of a governing body to provide public improvements often requires nearby property owners to equally be assessed a portion of the improvements. In such instances, this requires balancing community benefits with potentially negative impacts on the assessed property owners.

Staff Recommendation:

Hold the public hearing & authorize the improvements.

Commission Actions:

Commissioner _____ moved that Resolution No. _____ a resolution determining the advisability of the making of certain internal improvements for the City of El Dorado, Kansas; making certain findings with respect thereto; and authorizing and providing for the making of the improvements in accordance with such findings, subject to protest (street improvements/Country Club Rd - project 513).

Commissioner _____ seconded the motion.

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF EL DORADO, KANSAS
HELD ON JUNE 5, 2017**

The governing body met in regular session at the usual meeting place in the City, at 6:30 p.m., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, pursuant to a notice duly published in the *Butler County Times-Gazette*, the Mayor opened the public hearing and announced that anyone desiring to be heard in connection with the advisability of making the following described improvements (the "Improvements"):

Extension of Country Club Rd. from McCullum Rd. to E 29th Street

would now be heard.

Thereafter, the Mayor adjourned the public hearing.

* * * * *

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

A RESOLUTION DETERMINING THE ADVISABILITY OF THE MAKING OF CERTAIN INTERNAL IMPROVEMENTS FOR THE CITY OF EL DORADO, KANSAS; MAKING CERTAIN FINDINGS WITH RESPECT THERETO; AND AUTHORIZING AND PROVIDING FOR THE MAKING OF THE IMPROVEMENTS IN ACCORDANCE WITH SUCH FINDINGS, SUBJECT TO PROTEST (STREET IMPROVEMENTS/COUNTRY CLUB RD - PROJECT 513).

Thereupon, Commissioner _____ moved that said Resolution be adopted. The motion was seconded by Commissioner _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: _____.

Nay: _____.

Thereupon, the Resolution having been adopted by majority vote of the members elect of the governing body, it was given No. _____; was directed to be signed by the Mayor and attested by the City Clerk; and the City Clerk was further directed to cause the publication of the Resolution one time in the official City newspaper and to record the Resolution in the Office of the Register of Deeds of Butler County, Kansas, all as required by law and as set forth in the Resolution. The City Clerk was further directed to advise the governing body at the end of the protest period as to whether or not a protest petition has been filed thereto.

* * * * *

(Other Proceedings)

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On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of El Dorado, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Clerk

NOTE: To be recorded with the Register of Deeds of Butler County, Kansas

(Published in the *Butler County Times-Gazette* on June 10, 2017)

RESOLUTION NO. _____

A RESOLUTION DETERMINING THE ADVISABILITY OF THE MAKING OF CERTAIN INTERNAL IMPROVEMENTS FOR THE CITY OF EL DORADO, KANSAS; MAKING CERTAIN FINDINGS WITH RESPECT THERETO; AND AUTHORIZING AND PROVIDING FOR THE MAKING OF THE IMPROVEMENTS IN ACCORDANCE WITH SUCH FINDINGS, SUBJECT TO PROTEST (STREET IMPROVEMENTS/COUNTRY CLUB RD - PROJECT 513).

WHEREAS, K.S.A. 12-6a01 *et seq.* (the “Act”) authorizes the governing body of any city to make or cause to be made municipal works or improvements which confer a special benefit upon property within a definable area of the city and the levying and collecting of special assessments upon property in the area deemed by the said governing body to be benefited by such improvements for special benefits conferred upon such property by any such improvements and to provide for the payment of all or any part of the costs of the improvements out of the proceeds of such special assessments; and

WHEREAS, the Act provides that before any contract is let or any work is ordered or authorized for an improvement, the governing body shall by resolution direct and order a public hearing on the advisability of the improvement, and to give notice of the hearing by not less than two (2) publications in a newspaper, such publications to be a week apart and at least three (3) days shall elapse between the last publication and the hearing; and such notice shall be given as to (a) the time and place of the hearing; (b) the general nature of the proposed improvements; (c) the estimated or probable cost of the proposed improvements; (d) the extent of the proposed improvement district to be assessed for the cost of the proposed improvements; (e) the proposed method of assessment; and (f) the proposed apportionment of the cost between the improvement district and the City-at-large; and

WHEREAS, the governing body of the City of El Dorado, Kansas (the “City”) has heretofore by Resolution No. 2841, directed and ordered a public hearing on the advisability of certain internal improvements in the City, pursuant to the Act; and providing for the giving of notice of said public hearing in the manner required by the Act; and

WHEREAS, a Notice of Public Hearing was duly published once each week for two (2) consecutive weeks in the *Butler County Times-Gazette*, the official newspaper of the City in accordance with the Act; and

WHEREAS, said public hearing was duly held this date, pursuant to such notice; and

WHEREAS, the Act provides that the governing body may, by a majority vote of the entire members-elect thereof, at any time within six (6) months after the final adjournment of the hearing on the advisability of making improvements, adopt a resolution authorizing the improvements in accordance with the findings of the governing body upon the advisability of the improvements, which resolution shall be effective upon publication once in the official City newspaper; provided, the improvements shall not be commenced if, within twenty (20) days after publication of the resolution ordering the improvement, written

protests signed by both fifty-one per cent (51%) or more of the resident owners of record of property within the improvement district and the owners of record of more than half of the total area of such improvement district are filed with the City Clerk; and

WHEREAS, the governing body hereby finds and determines it to be necessary to make its findings, by resolution, as to the advisability of the proposed improvement, the general nature of the proposed improvement; the estimated or probable cost of the proposed improvement; the extent of the proposed improvement district to be assessed for the cost of the proposed improvement; the proposed method of assessment; and the proposed apportionment of the cost between the improvement district and the City-at-large; and further finds and determines it to be necessary to authorize the making of the improvements, by Resolution, in accordance with its findings, subject to the filing of protest thereto, and to provide for the publication thereof, all as required by the Act.

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

Section 1. Findings of Advisability. The governing body hereby finds and finally determines that:

(a) It is advisable to make the following improvements (the “Improvements”):

Country Club Rd. Extension from McCullum Rd. to E 29th Street, to serve the area described as the Improvement District, all in accordance with City standards and plans and specifications prepared or approved by the City Engineer.

(b) The estimated or probable cost of the proposed Improvements is: \$1,291,548.72; said estimated cost to be increased at the pro rata rate of 1 percent per month from and after the date of adoption of this Resolution.

(c) The extent of the improvement district (the “Improvement District”) to be assessed for the cost of the Improvements is:

See **Exhibit A** attached hereto; to the City of El Dorado, Butler County, Kansas.

(d) The method of assessment is: equally per square foot.

In the event that unplatted property within the Improvement District is platted after adoption this Resolution, each platted lot shall be equally assessed for the costs associated with the unplatted property.

(e) The apportionment of the cost of the Improvements between the Improvement District and the City-at-large is: \$382,803.98 to be assessed against the Improvement District and \$908,744.74 to be paid by the City-at-large, which includes \$280,307.69 of costs attributable to properties served by the Improvements but which are outside of the City limits.

Section 2. Authorization of Improvements. The Improvements are hereby authorized and ordered to be made in accordance with the findings of the governing body as set forth in **Section 1** of this Resolution; except that, the Improvement shall not be commenced if, within twenty (20) days after publication of this Resolution, written protests signed by both fifty-one per cent (51%) or more of the resident owners of record of property within the Improvement District **and** the owners of record of more than half of the total area of the Improvement District are filed with the City Clerk. The City Clerk shall

report to the governing body at the end of said protest period as to whether or not any such protest petition has been filed.

Section 3. Bond Authority; Reimbursement. The Act provides for the costs of the Improvements, interest on interim financing and associated financing costs to be paid by the issuance of general obligation bonds or special obligation bonds of the City (the “Bonds”). The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation 1.150-2.

Section 4. Effective Date. This Resolution shall be published one time in the official City newspaper, and shall also be filed of record in the office of the Register of Deeds of Butler County, Kansas, and shall be effective upon publication.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ADOPTED by the governing body of the City on June 5, 2017.

(SEAL)

By: _____

Name: Vince Haines

Title: Mayor

ATTEST:

By: _____

Name: Tabitha Sharp

Title: Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Resolution of the City adopted by the governing body on June 5, 2017, as the same appears of record in my office.

DATED: June 5, 2017.

By: _____

Name: Tabitha Sharp

Title: Clerk

EXHIBIT A

PROPERTY DESCRIPTION COUNTRY CLUB RD EXTENSION

Beginning at a point 644.62 feet South of the Northwest corner of the Northwest Quarter (NW/4) of Section 25, Township 25 South, Range 5 East of the Sixth Principal Meridian in Butler County, Kansas; thence East 538.53 feet; thence South 231.07 feet; thence East 188.52 feet; thence North 231.07 feet; thence East 377.04 feet; thence South deflecting Right $91^{\circ}43''$, a distance of 552.27 feet; thence Southwesterly 755.11 feet to a point which is 681.79 feet South and 350 feet East of the Point of Beginning; thence West 350 feet to a point which is 1322.29 feet North of the Southwest corner of said Northwest Quarter (NW/4); thence North 681.79 feet to the Point of Beginning, subject to public road.

Beginning 210 Feet north of the Southwest Corner of the Northwest Quarter of Section 25, Township 25 South, Range 5 East of the P.M., thence North 1044 feet, East 350 feet, South 1044 feet, and West 350 feet to the place beginning.

Beginning 210 Feet north of the Southwest Corner of the Northwest Quarter of Section 25, Township 25 South, Range 5 East of the P.M., thence North 1044 feet, East 350 feet, South 1044 feet, and West 350 feet to the place beginning.

Lots 1, 2, 3, 4, 5 Block 1 Adams-Weber Addition

The East 270 feet of the following tract in the Northeast Quarter of Section 26, Township 25, Range 5 East, beginning 71.67 feet North of Southeast Corner Lot 3 Block 6 Banks-Wilhite 1st Addition thence North 268.33 feet; thence East 617.76 feet; thence South 300 feet; thence West 617.76 feet North to point of beginning.

TO: City Commission
FROM: Curt Zieman, Police Chief
SUBJ: Court Costs
DATE: May 30, 2017

Background:

City Staff last approached the City Commission for an increase in court costs in July of 2014. The City Commission at that time approved an increase of costs to \$70. Staff are requesting that the cost be increased to \$90, this includes \$23.50 for the State of Kansas, \$5.50 for the Court Funds project that helps the City provide for organizations like the Elks, SCARF and Family Life Center. The total that would remain with the City is \$61.

Policy Issue:

Court fees are recommended by the Judge, City Attorney and Police Chief to the City Commission who then sets them by Ordinance.

Alternatives:

The City Commission can choose to increase court costs to a lesser degree or to make no change.

Fiscal Impact:

Each year, the court processes approximately 4,000 citations. It is estimated that the \$17 in additional court costs will provide the city with an additional \$34,000 in revenue each year. This will help offset costs for the attorney, judge, and other costs associated with prosecuting individuals through the Municipal Court.

Trade-offs:

Increasing court costs will likely cause financial hardship for some of the customers of the Municipal Court. The court staff will continue to offer payment plans when acceptable in order to work with these individuals.

Staff Recommendation:

Approve the ordinance increasing court costs.

Commission Actions:

Commissioner _____ moved to approve Ordinance No. _____, an Ordinance amending Title 2 of the El Dorado Municipal Code relating to the Municipal Court.

Commissioner _____ seconded the motion.

Roll Call Vote

Position No. 1	Commissioner Chase Locke	_____
Position No. 2	Commissioner Gregg Lewis	_____
Position No. 3	Commissioner Nick Badwey	_____
Position No. 4	Commissioner Kendra Wilkinson	_____
	Mayor Vince Haines	_____

ORDINANCE NO. G-_____

**AN ORDINANCE OF THE CITY OF EL DORADO AMENDING TITLE
2 OF THE EL DORADO MUNICIPAL CODE RELATING TO THE
MUNICIPAL COURT**

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

Section 1: Chapter 2.32.100 of the El Dorado Municipal Code is amended to read as follows:

2.32.100 Costs: Court costs will be charged as follows:

- A. A fee of twenty-three dollars and fifty cents (\$23.50) will be assessed and distributed to the State of Kansas per Statute.
- B. A fee of five dollars and fifty cents (\$5.50) will be assessed and distributed per city policy to the Court Fee Monies which are distributed to groups working to benefit vulnerable populations.
- C. A fee of sixty-one dollars (\$61.00) will be assessed and distributed to the Municipal Court.
- D. A fee of \$10 will be assessed for requests for continuance.
- E. A fee of \$10 will be assessed to process the suspension of driver's licenses.

Section 4: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5: That if any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The Commission hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

Section 6: That nothing in this ordinance shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

Section 7: In all other respects, Chapter 2.32 shall be and remain unchanged.

Section 8: That the City Clerk is hereby ordered and directed to cause this ordinance to be published once in the official city newspaper.

PASSED AND APPROVED by the Governing Body on this 5th day of June 2017.

(SEAL)

Vince Haines, Mayor

ATTEST

Tabitha Sharp, City Clerk

APPROVED AS TO FORM

Ashlyn Lindskog, City Attorney

TO: City Commission
FROM: Tabitha Sharp, City Clerk
SUBJ: Advisory Board Annual Appointments
DATE: May 31, 2017

Background:

The City Commission reviewed and accepted an application for the Planning Commission from Dan Bullock at the May 10th work session. His appointment must be completed at a regular meeting. There will still be open spaces on the CTC, Planning Commission, and Parks and Recreation boards.

Policy Issue:

The City Commission revised the policies for Advisory Boards in 2016.

Alternatives:

The City Commission may decide to continue looking for other volunteers should they decide that an applicant is not a fit for an advisory board.

Fiscal Impact:

This specific item does not have any fiscal impact, although the priorities and recommendations of the advisory board should be taken into consideration by the City Commission. The priorities outlined by the advisory board(s), which in-turn are considered by the Commission, may indirectly affect the City Budget and/or municipal policies as a whole.

Trade-offs:

Not applicable

Staff Recommendation:

Staff recommends City Commission appoint Mr. Bullock to the Planning Commission.

Commission Actions:

Commissioner _____ moved to appoint Dan Bullock to the Planning Commission for a term expiring on May 1st, 2020.

Commissioner _____ seconded the motion.