





## CITY COUNCIL MEETING MINUTES

February 22, 2016

7:00 pm

The following council members were present with Mayor John McTaggart presiding:

Jason Gillam      Craig Crider  
Margaret Shriver      Chuck Stites  
Chuck Adams

The following staff members were present:

- Mark Mathies, Police Chief
- Tony Burr, EMS Supervisor
- Peter Yazbec, Public Works Director
- David Duckers, City Attorney
- Zack Daniel, Assistant to the City Manager/City Clerk

### **APPROVE MINUTES OF FEBRUARY 8, 2016**

Councilmember Crider motioned to approve the minutes. Councilmember Gillam seconded. Mayor McTaggart requested a roll call vote. The motion passed unanimously.

### **STATEMENT OF BILLS PAID \$146,327.03**

Councilmember Shriver motioned to approve the statement of bills paid. Councilmember Gillam seconded. Mayor McTaggart requested a roll call vote. The motion passed unanimously.

### **REQUESTS OR COMMENTS FROM THE PUBLIC**

There were no comments from the public.

### **CONSIDER RECOMMENDATION OF APPROVAL FROM THE PLANNING COMMISSION REGARDING THE PRELIMINARY PLAN FOR VILLAGE SOUTH – 323/325 NORTH 110<sup>TH</sup> ST.**

City Planner Dave Knopick reviewed the last City Council meeting action regarding the plan for the development of Village South. Mr. Knopick explained that no action was taken on the preliminary plan due to the City Council's 3-3 vote. A revised preliminary plan was since reintroduced which removed the 10.3 acre area marked for multi-family use. In order to properly follow planning procedures, an override of the original preliminary plan would need to be approved by a 4-2 majority of the City Council.

Councilmember Stites made the motion to override the Planning Commission's recommendation of approval of the preliminary plan with the listed conditions, and further moved to approve the preliminary plan without the multi-family portion of the proposed plan, thus re-designating this area as a future development area. This motion also included all the conditions in the staff report to the Planning Commission, modifying item 1 to remove items related to multi-family use and R-3 zoning and removing item 2 in its entirety. Councilmember Adams seconded the motion. Mayor McTaggart requested a roll call vote, which passed unanimously.

### **CONSIDERATION OF BIDS FOR SALE OF REAL PROPERTY AT 213 S. 5<sup>TH</sup> ST.**

Assistant to the City Manager/City Clerk Zack Daniel reviewed the bidding process to this point. The second round of bids closed February 18, 2016. The highest bid was from Junior's



## CITY COUNCIL MEETING MINUTES

February 22, 2016

7:00 pm

---

Construction, LLC for the amount of \$7,500. However, the bid was withdrawn after clarifying with the group that its intent was to bid for a demolition contract rather than to acquire the property. As such, staff recommended accepting the next best, highest bid of \$3,000 from Wayne and Julie Burnett.

Councilmember Adams made the motion to award the bid to the Burnetts for the purchase of the property. Councilmember Shriver seconded. Mayor McTaggart requested a roll call vote which passed unanimously.

### **CONSIDER AUTHORIZING CITY MANAGER TO ENTER INTO AN AGREEMENT WITH STRYKER FOR THE PURCHASE OF A NEW POWERED AMBULANCE COT AND ACCESSORIES**

EMS Supervisor Tony Burr noted that the replacement of an ambulance cot was a budgeted expense for 2016. He stated that all cots in the ambulances are Stryker-made and already have the proper mounts in place. As such, staff recommendation is to authorize City Manager enter into an agreement with Stryker for the purchase of the cots. Councilmember Gillam asked if there were any other expenses that are anticipated with the purchase of the new cots. Mr. Burr noted that there was not and the 'new equipment' line item for EMS was \$15,000. The new cot will be \$13,995 which includes all needed accessories. However, training will likely be needed on use.

Councilmember Gillam made the motion to authorize the City Manager to enter into an agreement with Stryker for the purchase of a powered ambulance cot and accessories. Councilmember Adams seconded. Mayor McTaggart requested a roll call vote which passed unanimously.

### **CONSIDER AUTHORIZING THE CITY MANAGER TO ALLOCATE FUNDS FROM THE SPECIAL SALES TAX FUND FOR THE CONSTRUCTION OF A SECOND FUTSAL COURT**

Public Works Director Peter Yazbec reminded the City Council of the intentions of Sporting KC to fully fund one of the Futsal courts. He noted that if a second court was wanted, the City would need to provide the base. Councilmember Adams asked if there were sufficient funds in the special sales tax fund for this allocation, which Mr. Yazbec confirmed that there were.

After further discussion, Councilmember Gillam made the motion to authorize the use of special sales tax funds for the second futsal court. Councilmember Stites seconded. Mayor McTaggart requested a roll call vote which passed unanimously.

## **ADVISORY REPORTS**

### **CITY MANAGER**

Mr. Daniel noted that there are currently plans to hold a work session prior to the next City Council session, March 14, 2016, for the 2015 Year-End Report from Administration and Public Works. If schedules allow, the work session would begin at 6:30 p.m.



## CITY COUNCIL MEETING MINUTES

February 22, 2016

7:00 pm

---

### CHIEFS (POLICE & FIRE)

Police Chief Mathies noted that he e-mail briefs about the situation which occurred over the weekend regarding defamation of a street.

### PUBLIC WORKS

Mr. Yazbec provided an update to the City Council on two main breaks on Woodend Rd. which occurred over the last week. Temporary patches have been placed on the road. Future plan is to re-asphalt Woodend road where patches currently are. He also stated that Kansas Avenue project is going to begin on February 29<sup>th</sup>.

### COUNCIL AND MAYOR COMMENTS

Councilmember Adams was thankful that development is advancing in the north end. He also asked where the City is at regarding roll-out of the new trash service and carts. Mr. Daniel replied that there are ongoing talks with Deffenbaugh on this topic and that implementation is expected to occur before the next billing cycle in April. Mr. Daniel also noted that Clean-Up Day is scheduled for May 21.

Councilmember Gillam thanked Mr. Yazbec on the work on the futsal courts. He also is excited about the preliminary plans that were approved this evening. He thanked the Planning Commission and City Planner for their work in this area.

Councilmember Shriver asked who residents should contact with questions regarding the new Deffenbaugh services. Mr. Daniel replied they can either call Deffenbaugh directly or call his office with questions.

Councilmember Stites was happy to see development move forward on the north end, but was disappointed that some think he has been delaying movement. He is sure now that the project as presented was good for all Edwardsville residents. He also noted that since last meeting he has seen more clean-up activity along I-435. Finally, Councilmember Stites congratulated Park Supervisor Mike Martin on his well-received presentation to the Kansas City Kiwanis West group.

### ADJOURNMENT

The meeting was adjourned at 7:36

Zachary Daniel

City Clerk

**ITEM #2**

**TO: MAYOR & CITY COUNCIL  
FROM: MICHELLE BOUNDS, FINANCE MANAGER  
DATE: MARCH 14, 2016  
SUBJECT: STATEMENT OF BILLS**

**FOR YOUR REVIEW**

Statement of Bills, Expense and Revenue Report

**RECOMMENDATION**

City Council to approve the Statement of Bills from 02/20/2016 to 03/11/2016 as submitted.

**FINANCIAL IMPACT**

The total of the Statement of Bills from 02/20/2016 to 03/11/2016 is **\$156,555.34**.

General Operating/Payroll	<b>\$ 112,500.76</b>
Cash Bond	<b>\$ 2,000.00</b>
Cemetery	<b>\$ 343.73</b>
Electronic Funds Transfer Account (EFT)	<b>\$ 41,710.85</b>
GO Bond	<b>\$ <u>0.00</u></b>
Total Bills	<b>\$ 156,555.34</b>

**BACKGROUND**

The EFT to Card Services represents purchases approved for payment with the city purchase cards. A total of 122 transactions were processed and paid.

The funds for Check #149629 were reimbursed thru application fees.

**IF YOU HAVE ANY QUESTIONS REGARDING THE STATEMENT OF BILLS, PLEASE  
FEEL FREE TO CALL PRIOR TO THE COUNCIL MEETING.**

# Check Register Report

EXPENSES THRU 03/11/2016

Date: 03/09/2016

Time: 5:33 pm

Page: 1

City of Edwardsville

BANK: BANK MIDWEST-CHECKING

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
<b>BANK MIDWEST-CHECKING Checks</b>							
149609	02/26/2016	Printed		BO01	BOARD OF PUBLIC UTILITIES	CITY WIDE WATER SERVICE	934.14
149610	02/26/2016	Printed		CE08	CENTERFIRE SHOOTING SPORTS LLC	6 HOURS RANGE TIME JAN 2016	510.00
149611	02/26/2016	Printed		CL11	DANIEL C CLAIBORN	PRE EMPLOYMT, RTW EXAMS	770.00
149612	02/26/2016	Printed		DU08	DAVID K CLACKERS	LEGAL SERV 01 19 TO 01-25 16	1,181.25
149613	02/26/2016	Printed		HE22	HEARTLAND BUILDING MAINTENANCE	CITY WIDE CLEANING SERVICE	1,226.55
149614	02/26/2016	Printed		IS02	NANCY ISAACS	UTILITY REFUND	16.40
149615	02/26/2016	Printed		DI07	JHF DIRTWORKS, LLC	NEW FORKS FOR SKID LOADER	500.00
149616	02/26/2016	Printed		KC09	K C PETERBILT INC	REPAIR UNIT 620	1,503.99
149617	02/26/2016	Printed		RO25	ROLLING ACRES MEMORIAL GARDENS	ANIMAL CONTROL	27.00
149618	02/26/2016	Printed		WA03	WAL-MART COMMUNITY BRC	OF SPLY, MEALS, BLDG & GRNDS	1,151.09
149621	03/04/2016	Printed		AP03	APPARATUS SERVICES LLC	VEHICLE MAINT 623	590.94
149622	03/04/2016	Printed		CA44	CHAD M CANNON, MD	EMS MED DIR JAN & FEB 2016	1,800.00
149623	03/04/2016	Printed		EM12	EMH	CMNTY CTR WATER USAGE	378.35
149624	03/04/2016	Printed		KC09	K C PETERBILT INC	REPAIR UNIT 623	530.83
149625	03/04/2016	Printed		KCPL	K.C. POWER & LIGHT COMPANY	PW BLDG ELECTRIC SERV	90.87
149626	03/04/2016	Printed		KS06	KANSAS STATE TREASURER	COURT FEES JAN 2016	6,874.00
149627	03/04/2016	Printed		KN05	DAVID A KNOPIK	FEB 2016 PLAN AND REVIEW	4,105.00
149628	03/04/2016	Printed		KA06	KS MUNICIPAL JUDGES ASSOCIATIO	2016 MBRSHP DUES, WETZLER	25.00
149629	03/04/2016	Printed		MU12	MUNICIPAL CONSULTING LLC	COST BEN ANLYS HERF JONES	400.00
149630	03/04/2016	Printed		RO37	ROAD BUILDERS	REPAIR CTY SCBA CMPRSR	707.88
149631	03/04/2016	Printed		WY09	UNIFIED TREASURER	JAIL BOOK FEES JAN 2016	2,744.00
149632	03/11/2016	Printed		AL01	JOSHUA K ALLEN	1ST QTR 2016 PUBLIC DEFENDER	1,800.00
149633	03/11/2016	Printed		AR15	ARLAN COMPANY INC	WHITE FIELD PAINT	970.00
149634	03/11/2016	Printed		BH01	BHC RHODES CIVIL ENGINEERS	LTC SEWER EXT FINAL DESIGN	1,210.80
149635	03/11/2016	Printed		BL07	BLUE SKY CLEANERS	PD FEB CLOTHING MAINT	361.75
149636	03/11/2016	Printed		BO34	BOUND TREE MEDICAL	UNFRM SHRTS, MED SUPPLIES	1,457.17
149637	03/11/2016	Printed		CL11	DANIEL C CLAIBORN	PSYCH EXAM BOYCE	450.00
149638	03/11/2016	Printed		CO13	CONRAD FIRE EQUIPMENT, INC.	FIREFIGHTING HELMET	307.76
149639	03/11/2016	Printed		CU10	CULLIGAN OF GREATER KANSAS CIT	BTLD WATER COOLER RNTL FEE	73.00
149640	03/11/2016	Printed		DE01	DEFFENBAUGH INDUSTRIES	CITY WIDE TRASH SERVICE	10,421.38
149641	03/11/2016	Printed		GT01	GT DISTRIBUTORS INC	2 GLOCK GEN IV PISTOLS	940.40
149642	03/11/2016	Printed		HO43	HOMESTEAD MOTORS	VEH MAINT UNITS 51 & 55	127.57
149643	03/11/2016	Printed		DI07	JHF DIRTWORKS, LLC	DEL AB3 ROCK FOR RD WORK	448.53
149644	03/11/2016	Printed		EM02	JOHNNY ON THE SPOT	PARK PORTALETs	330.00
149645	03/11/2016	Printed		KC14	KANSAS CITY SECURITY SYS INC	MTHLY SEC SYS MONITORING	30.99
49646	03/11/2016	Printed		LE25	LEADER PEST CONTROL	CITY WIDE INSECT CONTROL	440.00
49647	03/11/2016	Printed		MI73	MID STAR LAB	REFUND SEWER FEE	9.94
49648	03/11/2016	Printed		MI60	AMY R. MITCHELL	CITY PROSECUTOR FEB 2016	4,009.50
49649	03/11/2016	Printed		OB03	CLIF OBLINGER	REIMB TRAINING HOTEL STAY	221.70
49650	03/11/2016	Printed		OM05	OMNI BILLING	AMB BILLING SERV FEB 2016	1,249.30
49651	03/11/2016	Printed		ON01	ON THE GO TRAVEL CENTER	WEIGHT SCALE SERVICE	10.50
49652	03/11/2016	Printed		FI20	OPTIV SECURITY INC	KCJIS FOB TOKEN SGT SHORT	50.84
49653	03/11/2016	Printed		SP07	SPORTS CONDUCTOR LLC	PARK & REC WEBSITE SUPPORT	550.50
49654	03/11/2016	Printed		KA09	THEODORE A. STOLFUS	ANIMAL CONTROL	1,000.00
49655	03/11/2016	Printed		TI02	TIME WARNER CABLE	INTERNET SERV, BUS CABLE	290.00
<b>Total Checks: 45</b>						<b>Checks Total (excluding void checks):</b>	<b>52,828.92</b>

**ANK MIDWEST-CHECKING EFTs**

48827	03/04/2016	Reconciled		AE01	JACOB AESCHLIMAN	PARAMEDIC VOLUNTEER	1,320.00
48828	03/04/2016	Reconciled		AL36	THOMAS K ALLEN	EMT VOLUNTEER	440.00
48829	03/04/2016	Reconciled		BR36	R BRITTON BROWN JR	PARAMEDIC VOLUNTEER	1,080.00
48830	03/04/2016	Reconciled		FO19	ANTHONY C FORD	EMT VOLUNTEER	660.00
48831	03/04/2016	Reconciled		JO33	CHRISTINA JOHNSON	PARAMEDIC VOLUNTEER	240.00
48832	03/04/2016	Reconciled		LE33	DAVID LEMANSKE	EMT VOLUNTEER	10.00
48833	03/04/2016	Reconciled		PA24	NATHAN PALMER	EMT VOLUNTEER	110.00

# Check Register Report

EXPENSES THRU 03/11/2016

Date: 03/09/2016

Time: 5:33 pm

Page: 2

City of Edwardsville

BANK: BANK MIDWEST-CHECKING

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
<b>BANK MIDWEST-CHECKING EFTs</b>							
1148834	03/04/2016	Reconciled		RI15	BRYAN RICE	PARAMEDIC VOLUNTEER	1,320.00
1148835	03/04/2016	Reconciled		RI12	JESSICA RICKERT	EMT VOLUNTEER	440.00
1148836	03/04/2016	Reconciled		YO02	BRIAN D YOUNG	PARAMEDIC VOLUNTEER	360.00
<b>Total EFTs: 10</b>						<b>EFTs Total (excluding void checks):</b>	<b>5,980.00</b>
<b>Total Payments: 55</b>						<b>Bank Total (excluding void checks):</b>	<b>58,808.92</b>

# Check Register Report

EXPENSES THRU 03/11/2016

Date: 03/09/2016

Time: 5:33 pm

Page: 3

City of Edwardsville

BANK: BANK MIDWEST CASH BOND

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
<b>BANK MIDWEST CASH BOND Checks</b>							
1374	02/25/2016	Printed		BU37	RICHARD BURTON	CASH BOND REFUND 43091	500.00
1377	02/25/2016	Printed		CI19	CITY OF EDWARDSVILLE, KANSAS	APPLIED CASH BOND 43496	1,500.00
<b>Total Checks: 2</b>						<b>Checks Total (excluding void checks):</b>	<b>2,000.00</b>
<b>Total Payments: 2</b>						<b>Bank Total (excluding void checks):</b>	<b>2,000.00</b>

Check Register Report

EXPENSES THRU 03/11/2016

Date: 03/09/2016

Time: 5:33 pm

Page: 4

City of Edwardsville

BANK: BANK MIDWEST CEMETERY

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
<b>BANK MIDWEST CEMETERY Checks</b>							
2610	02/25/2016	Printed		BO01	BOARD OF PUBLIC UTILITIES	CEMETERY WATER	24.08
2611	02/25/2016	Printed		HE33	STEVEN HENRY	CEM GROUNDS MAINT	24.00
2612	02/25/2016	Printed		HO41	OLA HOWERTON	CEM REGISTRAR MTHLY FEE	65.00
2613	02/25/2016	Printed		SN06	TAMI SNIDER	CEM GROUND MAINT	66.00
2614	02/25/2016	Printed		KPL0	WESTAR ENERGY	CEMETERY ELECTRIC SERV	164.65

Total Checks: 5

Checks Total (excluding void checks):

343.73

Total Payments: 5

Bank Total (excluding void checks):

343.73

# Check Register Report

EXPENSES THRU 03/11/2016

Date: 03/09/2016

Time: 5:22 pm

Page: 1

City of Edwardsville

BANK: BANK MIDWEST EFT

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
<b>BANK MIDWEST EFT Checks</b>							
6124	02/19/2016	Printed		CA34	CARD SERVICES	PURCHASE CARD PAYMENT	15,858.51
6125	02/19/2016	Printed		CA34	CARD SERVICES	PURCHASE CARD PAYMENT	20,190.09
6126	02/26/2016	Printed		GR05	ATMOS ENERGY	CITY WIDE NATURAL GAS	1,880.34
6127	02/26/2016	Printed		FP02	FRANCOTYP-POSTALIA, INC	POSTAGE	500.00
6128	02/26/2016	Printed		KA85	KANSAS DEPT OF AGRICULTURE	2016 FOOD LICENSE RENEWAL	160.00
6129	02/26/2016	Printed		FL04	WEX BANK	CITY WIDE FUEL	3,121.91

**Total Checks: 6**                      **Checks Total (excluding void checks): 41,710.85**

**Total Payments: 6**                      **Bank Total (excluding void checks): 41,710.85**

**Total Payments: 6**                      **Grand Total (excluding void checks): 41,710.85**

# Check Register Report

PAYROLL 03 04 2016

Emp. Code Desc.: 01  
City of Edwardsville

Date: 3/9/2016  
Time: 17:18:37

Check No.	Check Date	Recon.Date	Status	Employee ID	Pay To	Check Description	Amount
149619	03/04/2016		P	PRINC	PRINCIPAL LIFE GROUP	Remittance Check	\$736.74
149620	03/04/2016		P	STAND	STANDARD INS CO	Remittance Check	\$834.08
703101	03/04/2016		P	IRSEF	IRS EFT	Remittance Check	\$23,494.49
703102	03/04/2016		P	KS TA	KS STATE TAX	Remittance Check	\$3,215.89
703103	03/04/2016		P	HSA	HSA Bank	Remittance Check	\$25.00
703104	03/04/2016		P	KP&F	KP&F	Remittance Check	\$19,883.43
703105	03/04/2016		P	KPERS	KPERS	Remittance Check	\$3,768.24
703106	03/04/2016		P	AFAFL	AM FIDELITY FLEX ACCT	Remittance Check	\$340.41
703107	03/04/2016		P	ICMA	ICMA	Remittance Check	\$1,259.25
703108	03/04/2016		P	KPC	KANSAS PAYMENT CENTER	Remittance Check	\$134.31

Total Checks: 10

Sub-Total: \$53,691.84  
Total Void/Stop Payment: \$0.00  
Grand Total: \$53,691.84

TO: MAYOR & CITY COUNCIL  
FROM: MICHAEL WEBB, CITY MANAGER   
DATE: MARCH 14, 2016  
SUBJECT: CONSIDERATION OF ADVISORY REPORT REGARDING THE K-32  
QUIET ZONE STUDY

**RECOMMENDATION**

City Council to consider advisory report regarding the findings of the K-32 Quiet Zone Study.

**FINANCIAL IMPACT**

Not applicable.

**BACKGROUND**

The MARC Tri-City Multi-modal Redevelopment Plan is an effort to develop a vision for future use of the K-32 corridor throughout Edwardsville, Bonner Springs, and Kansas City. Part of the required aspects of the Redevelopment Plan is the preparation of a Locomotive-Horn "Quiet Zone" Feasibility Study in coordination with the US Department of Transportation. The goal of the study is to address residential areas impacted by noise pollution from the sounding of audio safety warnings from on-board locomotive horns. There are three public crossings within the city limits of Edwardsville (4<sup>th</sup> St., 9<sup>th</sup> St., and 98<sup>th</sup> St.) as well as one private crossing into the former Holiday Sand plant.

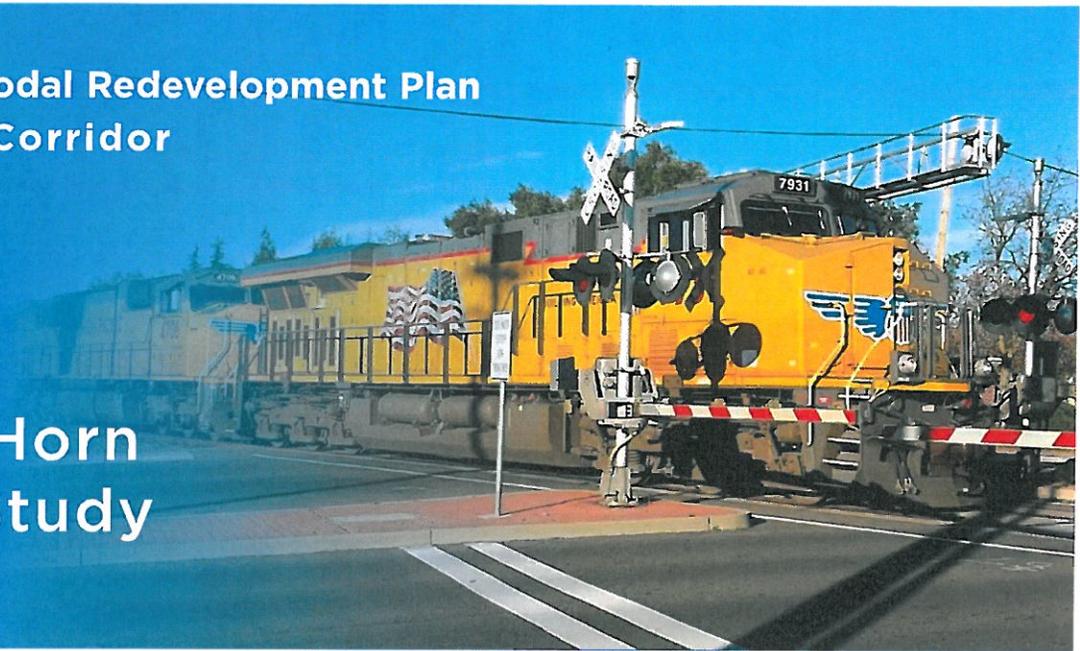
The Quiet Zone Study in its current form will not be presented to the Federal government and therefore is not intended to be a binding document. It is intended to be a local document that outlines the findings related to potential quiet zones within the K-32 corridor. The study has been presented to the Board of Commissioners and Planning Commission of the Unified Government.

Additional coordination would be necessary to advance the document beyond general acceptance to something actionable. Further work related to development of an implementation plan will be coordinated with the Plan's Advisory Committee.

# K-32 Tri-City Multi-modal Redevelopment Plan Union Pacific Rail Corridor

## QZ

### Locomotive Horn Quiet Zone Study Facts



#### DECIBELS

The lead Locomotive-Horn is 110 db(A) [comparable to an emergency siren at 50 feet] which dissipates to 55 db(A) [comparable to normal speech at 3 feet] at 6000 feet from the lead locomotive.

#### QUIET ZONES

The silencing of on-board Locomotive-Horns for at grade railroad crossings.

#### MINIMUM WARNING

System Requirements for crossing inclusion in a Quiet Zone:

- Flashing light and gate signal system
- Constant Warning Time (CWT) train detection circuitry
- Power-out indication light at signal bungalow

#### SAFETY MEASURES

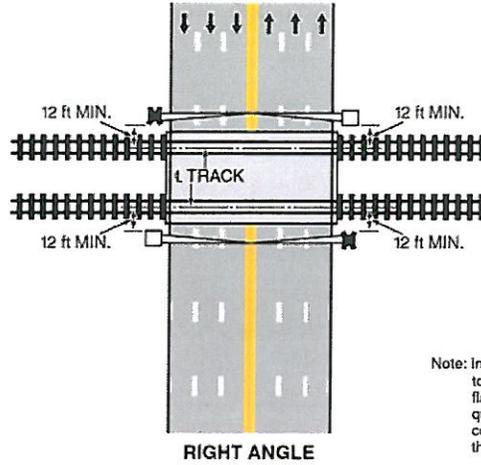
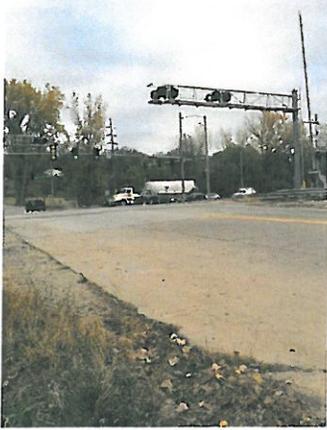
Allowing for Quiet Zones applicable to K-32/Union Pacific (UP) rail corridor:

- Non-traversable Medians
- Four Quadrant Gate signal systems (estimated maintenance cost of \$15,000/year)
- Wayside Horn Systems (WHS) (estimated maintenance cost of \$12,000/year)

#### SPECIAL CONSIDERATIONS FOR PRIVATE CROSSINGS

- Quiet Zones as per Federal Railroad Administration's (FRA's) rules cannot terminate or start at a private crossing
- Union Pacific (UP) and all Class I Rail Road's treat all non-agricultural private crossings identical to public crossings and activate their on-board locomotive-horn in advance of the crossing
- Union Pacific (UP) has a separate private crossing agreement for the one entity having primary responsibility for the private road approaches to the crossing

# DESIGN CONCEPTS



## 88TH STREET

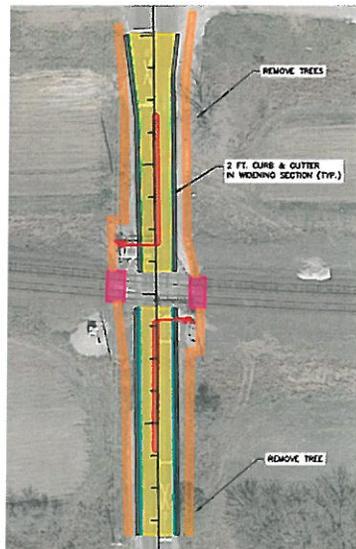
Public crossing with the addition of a **four quadrant gate system**

Note: In an effort to simplify the figure to show typical location plans for flashing-light signals and four-quadrant gates, not all traffic control devices are shown on this figure.

- Legend**
- Direction of travel
  - ⊞ Entrance gate
  - Exit gate

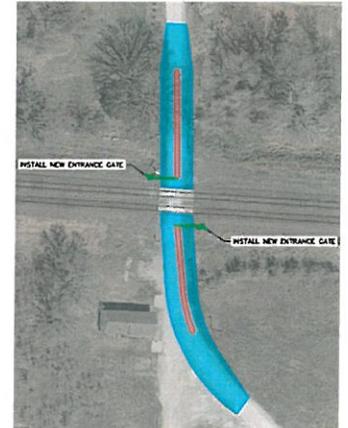
## 98TH STREET

Public crossing with the addition of **approach medians**



## HOLLIDAY SAND

Public crossing with the addition of **flashing lights and gates and approach medians**



# ESTIMATED COSTS

Crossings with recommended safety measures and Engineer's Opinion of Costs

Ad-Trend (private crossing)	Wayside Horn Systems (WHS)	\$533,000 (will require conversion to public)
Swingster Rd (public crossing)	Medians	\$532,000
Holliday Sand (private crossing)	Medians	\$513,000 (suggested conversion to public)
4th St (public crossing)	Medians	\$825,000
9th St (public crossing)	Medians	\$680,000
98th St (public crossing)	Medians	\$213,000
88th St (public crossing)	4 Quad Gates	\$606,000
Anchor (private crossing)	Medians	\$513,000
Swartz (private crossing)	Wayside Horn Systems (WHS)	\$533,000
Kansas Ave (public crossing)	4 Quad Gates	\$606,000
65th St (public crossing)	Medians	\$213,000

**Total Engineer's Opinion of Costs**

**\$5,767,000**

**TO: MAYOR & CITY COUNCIL**  
**FROM: MICHAEL WEBB, CITY MANAGER**   
**SCOTT ANDERSON, BOND COUNSEL**  
**DATE: MARCH 14, 2016**  
**SUBJECT: RESOLUTION NO. 2016-03 AUTHORIZING AN ASSIGNMENT OF**  
**BOND DOCUMENTS AND A SUBORDINATION OF FEE AGREEMENT**

**RECOMMENDATION**

City Council to consider Resolution No. 2016-03 consenting to the execution and delivery of an Assignment of Bond Documents and a Subordination of Fee for the Coleman Enterprises Project.

**FINANCIAL IMPACT**

Not applicable.

**BACKGROUND**

The City issued its industrial revenue bonds for the Coleman Enterprises Project in May 2009. In accordance with the bond documents, the City leased the Project to J Coleman Enterprises, L.P. The Project is located at 9154 Woodend Road.

J Coleman Enterprises, L.P. desires to sell its leasehold interest in the Project to Woodend Holdings, LLC, a Kansas limited liability company. This is an entity managed by Nathan Anderson, a commercial real estate developer in Kansas City.

In connection with the sale, the purchaser is borrowing funds from a local bank. The subordination of fee will allow this bank to take a fee mortgage on the property.

This project is currently receiving a 10-year 50% property tax abatement that ends in 2019. The assignment will have no impact on the percentage or term of the property tax abatement. Accordingly, staff recommends adoption of Resolution No. 2016-03.

**RESOLUTION NO. 2016-03**

**A RESOLUTION CONSENTING TO THE ASSIGNMENT OF A LEASE AGREEMENT AND RELATED BOND DOCUMENTS IN CONNECTION WITH THE CITY'S INDUSTRIAL REVENUE BONDS (COLEMAN ENTERPRISES PROJECT), SERIES 2009, AUTHORIZING A SUBJECTION OF FEE TO MORTGAGE INSTRUMENT, AND OTHER MATTERS.**

**WHEREAS**, the City of Edwardsville, Kansas (the "City") is a duly organized and existing municipal corporation under the laws of the State of Kansas; and

**WHEREAS**, the City issued its Industrial Revenue Bonds (Coleman Enterprises Project) Series 2009 (the "Bonds"), in the aggregate maximum principal amount of \$1,800,000, pursuant to a Trust Indenture dated as of May 1, 2009 (the "Indenture"), by and between the City and Bank of Kansas City, N.A., as trustee (the "Trustee"), for the purpose of acquiring, purchasing, improving, equipping and constructing a commercial project, consisting of an office and warehouse building located at 9154 Woodend Road, Edwardsville, Kansas (the "Project"); and

**WHEREAS**, the Project was leased by the City to J Coleman Enterprises, L.P., a Kansas limited partnership ("Assignor") pursuant to a Lease Agreement dated as of May 1, 2009 (the "Lease Agreement"), by and between the City and Assignor; and

**WHEREAS**, pursuant to **Section 13.1** of the Lease Agreement, the Assignor may assign the Lease Agreement only with the written consent of the City; and

**WHEREAS**, the Assignor is requesting the City's consent to the assignment of the Assignor's interest under the Lease Agreement, the Performance Agreement dated as of May 1, 2009 (the "Performance Agreement"), between the City and Assignor, and all other documents executed in connection with the Bonds (collectively, the "Other Bond Documents"), to Woodend Holdings, LLC, a Kansas limited liability company (the "Assignee"); and

**WHEREAS**, the Assignee is requesting that the City consent to a subordination of its fee interest in the Project to the Assignee's lender ("Lender"); and

**WHEREAS**, the City desires to consent to the assignment of the Assignor's interest under the Lease Agreement, the Performance Agreement and the Other Bond Documents to the Assignee, and the further subordination of the City's fee interest in the Project to the Lender's mortgage.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF EDWARDSVILLE, KANSAS, AS FOLLOWS:**

**Section 1. Consent to Assignment and Subordination.** The Governing Body of the City hereby consents to (i) the assignment of the Lease Agreement, the Performance Agreement and the Other Bond Documents by the Assignor to the Assignee, and (ii) the subordination of the City's fee interest in the Project to the Lender's mortgage. The foregoing consents are contingent upon the satisfaction of all other requirements for assignments contained in the Lease Agreement.

**Section 2. Authorization and Execution of Assignment.** The City Council hereby approves of the form of the Assignment and Assumption of Lease Agreement and Related Bond Documents (the "Assignment") attached hereto as **Exhibit A**. The Mayor of the City is hereby authorized and directed to execute and deliver the consent to the Assignment for and on behalf of and as the act and deed of the City, in substantially the form presented to and reviewed by the Council of the City. The City Clerk of the City is hereby authorized and directed to attest to and affix the seal of the City, if required, to the Assignment.

**Section 3. Authorization and Execution of Subordination of Fee.** The City Council hereby approves of the form of the Subjection of Fee to Mortgage Instrument (the "Subordination") attached hereto as **Exhibit B**. The Mayor of the City is hereby authorized and directed to execute and deliver the consent to the Subordination for and on behalf of and as the act and deed of the City, in substantially the form presented to and reviewed by the Council of the City. The City Clerk of the City is hereby authorized and directed to attest to and affix the seal of the City, if required, to the Subordination.

**Section 4. Further Authority.** The Mayor is hereby authorized and directed to execute and deliver such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution (copies of said documents shall be filed in the records of the City) for and on behalf of and as the act and deed of the City. The City Clerk is hereby authorized and directed to attest to and affix the seal of the City to such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

**Section 5. Effective Date.** This Resolution shall take effect and be in full force and effect from and after its adoption by the Governing Body of the City.

**ADOPTED** by the Governing Body of the City of Edwardsville, Kansas, this 14<sup>th</sup> day of March, 2016.

**CITY OF EDWARDSVILLE, KANSAS**

By: \_\_\_\_\_  
John McTaggart, Mayor

SEAL

ATTEST:

\_\_\_\_\_  
Zachary Daniel, City Clerk

Approved as to form:

\_\_\_\_\_  
Scott W. Anderson, Bond Counsel

**EXHIBIT A**

**FORM OF ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT  
AND RELATED BOND DOCUMENTS**

**EXHIBIT B**

FORM OF SUBJECTION OF FEE TO MORTGAGE INSTRUMENT



**ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT  
AND RELATED BOND DOCUMENTS**

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT AND RELATED BOND DOCUMENTS (the “**Assignment**”) entered into on \_\_\_\_\_, 2016 (the “**Effective Date**”) is by and between **J COLEMAN ENTERPRISES, L.P.**, a Kansas limited partnership (the “**Assignor**”) and **WOODEND HOLDINGS, LLC**, a Kansas limited liability company (the “**Assignee**”).

**RECITALS**

**WHEREAS**, the City of Edwardsville, Kansas (the “**City**”) has previously issued its \$1,900,000 aggregate maximum principal amount of Industrial Revenue Bonds (Coleman Enterprises Project) Series 2009 (the “**Bonds**”) pursuant to a Trust Indenture dated as of May 1, 2009 (the “**Indenture**”), between the City and Bank of Kansas City, N.A., as trustee (the “**Trustee**”), and used the proceeds of the Bonds to construct a Project (as defined in the Indenture);

**WHEREAS**, the City leased the Project, which is located on and includes the land described on **Schedule 1** (the “**Real Property**”) to the Assignor pursuant to the Lease Agreement dated as of May 1, 2009 (the “**Lease**”), between the City, as lessor, and Assignor, as lessee, a memorandum of which was recorded \_\_\_\_\_, 2009, as Document No. \_\_\_\_\_;

**WHEREAS**, the City and Assignor entered into a Performance Agreement dated as of May 1, 2009 (the “**Performance Agreement**”) whereby the parties set forth the terms relating to tax abatement for the Project;

**WHEREAS**, in addition to the Indenture, the Lease and the Performance Agreement, Assignor, the City and the Trustee entered into various other documents relating to the Bonds (the “**Other Bond Documents**”);

**WHEREAS**, Assignor and Assignee are parties to that certain Real Estate Contract, effective as of \_\_\_\_\_, 2016 (the “**Contract**”), pursuant to which the Assignor has agreed to sell and transfer all of its right, title, and interest in the Project to Assignee;

**WHEREAS**, Assignor desires to assign and transfer to Assignee all of Assignor’s right, title, and interest in and to the Bonds, the Performance Agreement and the Other Bond Documents and all of its right, title and interest as lessee under the Lease;

**WHEREAS**, Assignee desires to accept such assignment subject to the terms and conditions set forth below;

**WHEREAS**, Assignee desires to further pledge the Bonds and assign the Lease, the Performance Agreement and the Other Bond documents to \_\_\_\_\_ (“**Lender**”) as collateral for a mortgage loan from Lender; and

**WHEREAS**, the City and the Trustee desire to consent to such assignment and assumption.

## AGREEMENT

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

1. **Assignment.** As of the Effective Date, Assignor hereby sells, transfers, conveys, assigns, and delivers to Assignee the following (collectively, the “**Assigned Interests**”):

- (a) The leasehold created under the Lease, together with all of Assignor’s rights and interest under the Lease, which demises the Project, including the Real Property, and all of Assignor’s rights and interests in the Project, including the buildings, structures, improvements, fixtures, machinery, and equipment situated on the real estate and all of its additions, alterations, modifications, and improvements.
- (b) All of Assignor’s rights and interest under the Performance Agreement and the Other Bond Documents; and
- (c) All of Assignor’s rights and interest in the Bonds.

2. **Assumption.** Assignee accepts all of the Assigned Interests assigned by Assignor in Paragraph 1 and assumes and agrees to pay, perform, and discharge promptly and fully when and as required all obligations and liabilities under the Lease and the Performance Agreement that accrue on or after the Effective Date.

3. **Delivery of documents; representations.** Pursuant to **Section 13.1(a)** of the Lease, Assignor represents that all conditions precedent to the assignment have been satisfied. Assignor represents that there has been no damage or destruction to the Project that has not been repaired, restored, and replaced in accordance with the terms of the Lease.

4. **Consent and release.** Pursuant to **Section 13.1(a)** of the Lease, the City consents to the Assignment of the Lease, the Performance Agreement and the Other Bond Documents from Assignor to Assignee. Pursuant to **Section 206** of the Indenture, the City consents to the assignment and transfer of the Bonds from Assignor to Assignee. The City releases Assignor from all liability under the Lease Agreement, the Performance Agreement and the Other Bond Documents occurring on and after the Effective Date.

5. **Further Assurances; Cooperation.** The parties agree to execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate the intent of this Assignment. Without limiting the generality of the foregoing, Assignor further agrees to execute any additional documents required for the transfer of the Bonds to Assignee, as may be required by the Indenture.

6. **Assignor’s Representation.** Assignor represents that Assignor has not transferred, sold, encumbered, or otherwise disposed of the Bonds nor has Assignor assigned the Lease or transferred or encumbered or otherwise disposed of its interest in the Project.

7. **Successors and Assigns.** This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

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

9. **Governing law.** This Assignment shall be interpreted and construed under the laws of the State of Kansas, excluding any conflict of law or choice-of-law rules that might lead to the application of the internal laws of another jurisdiction.

10. **Recording.** Assignee shall submit this Assignment for recording in the Office of the Register of Deeds of Wyandotte County, Kansas on or about the Effective Date.

11. **Indemnity.** Assignor hereby indemnifies and holds Assignee harmless from and against all claims, demands, losses, damages, expenses and costs including, but not limited to, reasonable lawyer's fees and expenses actually incurred, arising out of or in connection with Assignor's failure to observe, perform and discharge each and every one of the covenants, obligations, and liabilities of the Assignor under the Lease, the Performance Agreement and the Other Bond Documents to be observed, performed, or discharged with respect to the period prior to the Effective Date. Assignee hereby indemnifies and holds Assignor harmless from and against all claims, demands, losses, damages, expenses, and costs including, but not limited to, reasonable lawyer's fees and expenses actually incurred, arising out of or in connection with Assignee's failure, from and after the date of this Assignment, to observe, perform, and discharge all covenants, obligations, and liabilities under the Lease and the Performance Agreement with respect to the period on and after the Effective Date.

*[Signature pages to follow]*

IN WITNESS WHEREOF, the parties hereto have caused their respective duly authorized representatives to execute this Assignment as of the Effective Date.

**ASSIGNOR:**

**J Coleman Enterprises, L.P.,**  
a Kansas limited partnership

By: **JGC LIMITED COMPANY**  
A Kansas Limited Liability Company,  
Its General Partner

By: \_\_\_\_\_  
Del R. Coleman  
President

**ACKNOWLEDGMENT**

STATE OF KANSAS            )  
  ) SS.  
COUNTY OF WYANDOTTE )

BE IT REMEMBERED, that on this \_\_\_\_ day of \_\_\_\_\_, 2016, before me the undersigned, a Notary Public in and for the County and State aforesaid, came Del R. Coleman, the President of JGC Limited Company as the General Partner of J Coleman Enterprises, L.P., a Kansas limited partnership, who is personally known to me to be such person, and who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said company, and such officer duly acknowledged the execution of the same to be the act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

[SEAL]

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_.

**ASSIGNEE:**

Woodend Holdings, LLC,  
a Kansas limited liability company

By: \_\_\_\_\_  
Nathan Anderson  
Manager

**ACKNOWLEDGMENT**

STATE OF KANSAS            )  
  ) SS.  
COUNTY OF JOHNSON        )

BE IT REMEMBERED, that on this \_\_\_\_ day of \_\_\_\_\_, 2016, before me the undersigned, a Notary Public in and for the County and State aforesaid, came Nathan Anderson, Manager of Woodend Holdings, LLC, a Kansas limited liability company, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said company, and such officer duly acknowledged the execution of the same to be the act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

[SEAL]

\_\_\_\_\_  
Notary Public

Typed Name: \_\_\_\_\_

My commission expires \_\_\_\_\_.

**CONSENT OF THE CITY OF EDWARDSVILLE, KANSAS**

The City hereby acknowledges, consents and agrees to the execution and delivery of this Assignment and Assumption of Lease Agreement and Related Bond Documents dated \_\_\_\_\_, 2016, between J Coleman Enterprises, a Kansas limited partnership, and Woodend Holdings, LLC, a Kansas limited liability company.

**CITY OF EDWARDSVILLE, KANSAS**

[SEAL]

By: \_\_\_\_\_  
John McTaggart, Mayor

ATTEST:

\_\_\_\_\_  
Zachary Daniel, City Clerk

**ACKNOWLEDGMENT**

STATE OF KANSAS                    )  
  ) SS.  
COUNTY OF WYANDOTTE         )

BE IT REMEMBERED, that on this \_\_\_\_ day of \_\_\_\_\_, 2016, before me the undersigned, a Notary Public in and for the County and State aforesaid, came John McTaggart, Mayor of the City of Edwardsville, Kansas, who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said corporation, and such officer duly acknowledged the execution of the same to be the act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

[SEAL]

\_\_\_\_\_  
Notary Public

Typed Name: \_\_\_\_\_

My commission expires \_\_\_\_\_.



## **SCHEDULE 1**

### **LEGAL DESCRIPTION OF REAL PROPERTY**

A portion of Lot 3, FEDEX FREIGHT, a subdivision of land in the City of Edwardsville, Wyandotte County, Kansas, described as follows:

Beginning at the Southwest corner of said Lot 3; thence North 02 degrees 15 minutes 10 seconds West, along the West line of Lot 3, 342.00 feet; thence North 87 degrees 20 minutes 58 seconds East, parallel to the South line of said Lot 3, 350.00 feet; thence South 02 degrees 15 minutes 10 seconds East, parallel to said West line of Lot 3, 342.00 feet, to a point on said South line of Lot 3; thence South 87 degrees 20 minutes 58 seconds West, along said South line of Lot 3, 350.00 feet, to the point of beginning.

When Recorded Return To:  
Scott W. Anderson  
SA Legal Advisors LC  
8801 Renner Blvd., Suite 403  
Lenexa, Kansas 66219

---

TITLE OF DOCUMENT:                    Subjection of Fee to Mortgage Instrument  
DATE OF DOCUMENT:                    \_\_\_\_\_, 2016  
GRANTOR:                                City of Edwardsville, Kansas  
GRANTEE:  
LEGAL DESCRIPTION:                    See Schedule I attached hereto

## SUBJECTION OF FEE TO MORTGAGE INSTRUMENT

**THIS SUBJECTION OF FEE TO MORTGAGE INSTRUMENT** (the "Instrument") is made as of \_\_\_\_\_, 2016, by the **CITY OF EDWARDSVILLE, KANSAS**, a municipal corporation, with an address at 690 S. 4th Street, Edwardsville, Kansas 66113 ("Fee Owner"), to and for the benefit of \_\_\_\_\_ **BANK, NATIONAL ASSOCIATION**, a national banking association corporation, with an address at \_\_\_\_\_, Attention: \_\_\_\_\_, Re: Loan No. \_\_\_\_\_ ("Lender").

### RECITALS

1. Fee Owner is the owner in fee simple absolute of the real property and improvements thereon locally known as 9154 Woodend Road, Edwardsville, Kansas 66111 and legally described on **Schedule 1** attached hereto and made a part hereof by this reference (the "Project").

2. Fee Owner, as landlord, and J Coleman Enterprises, L.P., a Kansas limited partnership, as tenant ("Original Tenant"), have executed that certain Lease Agreement dated as of May 1, 2009 (the "Lease") with respect to the Project, which Lease is evidenced of record by that certain Memorandum of Lease dated May \_\_\_, 2016, and recorded as Document No. \_\_\_\_\_.

3. Original Tenant, with the consent of the Fee Owner, assigned its leasehold interest in the Lease to Woodend Holdings, LLC, a Kansas limited liability company ("Tenant"), pursuant to an Assignment and Assumption of Lease Agreement and Related Bond Documents dated \_\_\_\_\_, 2016.

4. Tenant desires to obtain a loan in the principal amount of \$ \_\_\_\_\_ (the "Loan") from the Lender, and Tenant has or will execute the following instruments:

A. \$ \_\_\_\_\_ Promissory Note from Tenant to Lender dated \_\_\_\_\_, 2016 (the "Note"); and

B. Loan Agreement between Tenant and Lender, dated \_\_\_\_\_, 2016 (the "Loan Agreement");

C. Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated \_\_\_\_\_, 2016, from Tenant to Lender which will be recorded immediately prior hereto (the "Mortgage"), which Mortgage secures the debt evidenced by the Note and encumbers Tenant's interest in the Lease (as more particularly described in the Mortgage, and hereinafter the "Tenant's Interest"); and

D. The other Loan Documents, as defined in the Loan Agreement.

which, together with this Instrument and all other documents or instruments evidencing or securing the Loan, shall hereinafter collectively be referred to as the "Loan Documents."

5. Lender is unwilling to make the Loan to Tenant unless and until Lender obtains additional security for payment of the Note. It is a condition precedent to the making of the Loan that Fee

Owner subject its Fee Interest (as hereinafter defined) to the lien and encumbrance of the Mortgage, such that the Fee Interest stands as security for the payment and performance of Tenant's obligations, monetary and otherwise, under the Loan Documents (collectively, the "Obligations").

6. Fee Owner, Tenant and Lender desire and intend to further secure the Loan by Fee Owner granting to Lender a security interest in the Fee Interest (as hereinafter defined), encumbering the Fee Interest with the Mortgage and subjecting the Fee Interest to the lien, terms and conditions of the Mortgage such that Lender shall have a valid mortgage lien encumbering the Fee Interest, to the same extent and manner as if Fee Owner had joined in the Mortgage and encumbered the Fee Interest therein.

7. Fee Owner hereby expressly acknowledges and agrees that: (a) in reliance upon and in consideration of this Instrument, specific loans and/or advances will be made by the Lender to the Tenant, and other obligations will be undertaken by the Lender and/or the Tenant, which would otherwise not be made and/or undertaken, but for Fee Owner's encumbering its Fee Interest as hereinafter set forth; and (b) Fee Owner will benefit from the making of the Loan.

NOW, THEREFORE, In consideration of the benefits accruing to the parties hereto and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce Lender to make the Loan, and as security for payment of the Note, Fee Owner hereby declares, acknowledges and agrees as follows:

1. The Fee Interest. The term "Fee Interest" means all of Fee Owner's right, title, estate and interest in and to the Project, including, without limitation, the following:

A. Fee Owner's fee simple absolute interest in the Project (which, as a result of the Lease, is a reversionary interest in the Project);

B. all after-acquired interests in the Project, if any; and

C. all buildings and improvements now or hereafter constructed on the Project, if any, to the extent that Fee Owner has or will have any interest therein

2. Encumbering of the Fee Interest.

A. Fee Owner hereby grants to Lender and mortgages, conveys, assigns, pledges, encumbers and subjects the Fee Interest together with the appurtenances and all the estate and rights of the Fee Owner in and to the Fee Interest to the lien, charge, conveyance and encumbrance of the Mortgage, in the same manner and extent as if the Fee Owner had joined in and executed the Mortgage, and encumbered the Fee Interest thereby, such that and to the effect that:

(i) the lien and encumbrance of the Mortgage is hereby spread to encumber the Fee Interest in addition to the Tenant's Interest;

(ii) the Fee Interest stands as equal security in availability for payment of the Note and performance of the other Obligations, in the same manner and to the same extent as the Tenant's Interest;

(iii) the lien encumbering the Fee Interest shall have the same priority as the lien encumbering the Tenant's Interest; and

(iv) Lender has all of the rights and remedies, at law and in equity, against the Fee Interest that Lender has against the Tenant's Interest pursuant to the Mortgage.

B. Fee Owner hereby grants to Lender a security interest in the Fee Interest to the same extent that the Mortgage grants a security interest in the Tenant's Interest to the Lender.

C. This Instrument creates a statutory and equitable mortgage on the Fee Interest pursuant to applicable state law.

3. Limitation on Fee Owner's Liability. Fee Owner shall not be personally liable for the payment or performance of any of the Obligations. No judgment for money deficiencies, if any, shall be sought against or obtained from Fee Owner. Fee Owner's liability under this Instrument and the Mortgage shall be limited solely to the Fee Interest.

4. Election of Remedies; Fee Owner not a Surety.

A. Lender: (i) has the right, in its sole and absolute discretion, to elect among its rights and remedies with respect to any or all of the collateral, in whole or in part, encumbered by the Mortgage (including without limitation, the Lease, the Tenant's Interest, and the Fee Interest), in such manner, to such extent and in such order as Lender shall determine, in its sole and absolute discretion; and, (ii) has no obligation to proceed against the Tenant, the Lease, Tenant's Interest or any other collateral securing payment or performance of the Obligations prior to, in connection with, or instead of the foreclosure of Lender's lien on the Fee Interest.

B. Fee Owner waives any and all right(s) it may have to: (i) claim suretyship status or suretyship rights; (ii) demand the marshalling of assets, liens or remedies; or, (iii) require Lender to proceed against or exhaust its remedies against any other entity (including, without limitation, Tenant) or property (including, without limitation, the Lease or Tenant's Interest) prior to foreclosing Lender's lien on the Fee Interest.

C. As regards the Lender's rights and remedies under the Note, Mortgage and this Instrument, with respect to the Fee Interest, Fee Owner is and shall be deemed a principal, not a surety, with respect to the Loan.

D. Notwithstanding the foregoing, as between Fee Owner and Tenant only, Tenant shall indemnify, defend and hold Fee Owner harmless from and against any and all claims, costs, liabilities, damages and expenses that Fee Owner may incur, directly or indirectly, arising out of or relating to this Instrument (including but not limited to Tenant's default(s), if any, under the Mortgage, and Fee Owner's cure, if any, thereof) and/or Lender's foreclosure of the Fee Interest. Such indemnification shall include reasonable attorneys' fees and expenses incurred by the Fee Owner, including but not limited to those incurred in defense of any foreclosure action and/or in the enforcement of this indemnification, and shall survive the foreclosure of the Fee Interest and/or the Tenant's Interest, and the expiration or termination of the Lease.

E. This Instrument shall not alter or impair any rights and remedies that the Lender has or may have under the Mortgage or any other Loan Documents against the Tenant, the Lease, or any other collateral security for the Loan.

5. Notices.

A. Any notice or other communication in connection with this Agreement will be in writing and will be sent by United States certified mail, return receipt requested, postage prepaid, by a nationally recognized overnight courier guaranteeing next day delivery, by e-mail transmission, or by personal delivery, properly addressed as follows

Fee Owner: City of Edwardsville, Kansas  
City Hall  
690 S. 4th Street  
Edwardsville, Kansas 66113  
Attention: City Clerk

With a copy to: SA Legal Advisors  
8801 Renner, Suite 403  
Lenexa, Kansas 66219  
Attention: Scott W. Anderson

Lender: , National Association

Attention:  
Re: Loan No.

Tenant: Woodend Holdings, LLC  
P.O. Box 6193  
Leawood, Kansas 66206  
Attention: Nathan Anderson

All notices will be deemed given three business days following deposit in the United States mail with respect to certified or registered letters, one business day following deposit if delivered to an overnight courier guaranteeing next day delivery, and on the same day if sent by personal delivery or by e-mail transmission (with proof of transmission). Attorneys for each party will be authorized to give notices for each such party. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified.

6. Notices to Fee Owner and Opportunity to Cure Defaults.

A. All notices given by Lender or Tenant under the Lease shall also be given in the same manner to Fee Owner, at Fee Owner's address for notices.

B. In the event of a default under the Mortgage, no suit or foreclosure of the Mortgage as against the Fee Interest shall be commenced until Lender has given not less than thirty (30) calendar days' written notice (the "Notice of Default") to Fee Owner of such default.

C. Fee Owner shall have the right, but not the obligation, to cure any default under the Mortgage (whether before or after receipt of the Notice of Default), prior to the consummation of the foreclosure of the Fee Interest.

7. Miscellaneous.

A. The Recitals set forth above are deemed agreed to and accepted by all parties hereto.

B. This Instrument is self-operative. Upon execution and delivery of this Instrument, Fee Owner's subjection of the Fee Interest to the lien and encumbrance of the Mortgage is absolute, perfected, unconditional and irrevocably consummated. This Instrument is not executory in any manner.

C. This Instrument does not create or secure a new or further indebtedness or obligation other than the principal indebtedness or obligation secured by or which under any contingency may be secured by the Mortgage.

D. The recording of this Instrument prior to, simultaneously with or subsequent to any of the Loan Documents shall not affect the validity, enforceability or effect hereof.

E. Upon full payment and performance of the Obligations, Lender (or its assignee) shall execute and deliver an instrument, in recordable form, releasing the Fee Interest from the lien and conveyance of the Mortgage.

F. No modification or amendment of this Instrument shall be made without the prior written consent of the Fee Owner, which consent shall not be unreasonably withheld, denied or delayed. The Fee Owner agrees, with respect to the Loan Documents, that the Tenant and the Lender may agree to increase the amount of the Note or the other obligations secured by the Loan Documents or otherwise modify the terms of any of the Loan Documents, and the Lender may grant extensions of time of payment or performance to and make compromises, including releases of collateral or guaranties, and settlements with the Tenant and all other persons, in each case without the consent of the Fee Owner and without affecting the agreements of the Fee Owner or the Tenant contained in this Agreement; provided, however, that nothing contained in this Section shall constitute a waiver of the right of the Tenant itself to agree or consent to a settlement or compromise of a claim which the Lender may have against Tenant.

G. Unless specifically set forth herein, this Instrument shall not be deemed to be: (1) a waiver of any of Fee Owner's rights or remedies as Landlord under the Lease; or (ii) a consent to any additional encumbering of the Tenant's Interest by the Tenant.

H. This Instrument shall be deemed a modification of the Mortgage. Lender and Tenant join herein for the purposes of acknowledging and agreeing to such modification.

8. Governing Law. The Instrument shall be governed by the laws of the State of Kansas.

9. Effect of Lender's Foreclosure. Fee Owner, Lender and Tenant (both as Tenant and as the owner of the Industrial Revenue Bonds (Coleman Enterprises Project) Series 2009 issued by the Fee Owner pursuant to a Trust Indenture dated as of May 1, 2009 between Fee Owner and Bank of Kansas City, N.A., as trustee (the "Bonds") agree that should Lender foreclose the Mortgage on both the Fee Interest and the Tenant's Interest, then from and after such foreclosure, (i) the Lease shall terminate and be of no further force and effect, (ii) the party acquiring the Fee Interest and Tenant's Interest shall have no liability to make any further payments under the Lease to Fee Owner, (iii) Fee Owner shall have no further obligations on the Bonds, and (iv) all property tax abatement with respect to the Project shall cease prospectively, and any Tax Payment shall be prorated through the date of termination of the Lease.

10. Joinder by Trustee. BOKF, NA, as Trustee under the Trust Indenture dated as of May 1, 2009 with Fee Owner covering the Bonds, hereby joins in this Instrument for the sole purpose of (a) consenting to the Fee Owner's execution of this Instrument and (b) agreeing to and acknowledging the provisions of Paragraph 9 above.

IN WITNESS WHEREOF, the undersigned has duly executed and acknowledged this Instrument as of the date first set forth above.

CITY OF EDWARDSVILLE, KANSAS

[SEAL]

By: \_\_\_\_\_  
John McTaggart, Mayor

ATTEST:

\_\_\_\_\_  
Zachary Daniel, City Clerk

ACKNOWLEDGMENT

STATE OF KANSAS            )  
  ) SS.  
COUNTY OF WYANDOTTE )

BE IT REMEMBERED, that on this \_\_\_\_ day of \_\_\_\_\_, 2016, before me the undersigned, a Notary Public in and for the County and State aforesaid, came John McTaggart, Mayor of the City of Edwardsville, Kansas, and Zachary Daniel, City Clerk, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said municipal corporation, and such officers duly acknowledged the execution of the same to be the act and deed of said municipal corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

[SEAL]

\_\_\_\_\_  
Notary Public

Typed Name: \_\_\_\_\_

My commission expires \_\_\_\_\_.

Lender joins in this Instrument solely to acknowledge and agree to its respective obligations and undertakings as specifically stated herein.

\_\_\_\_\_, NATIONAL ASSOCIATION

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

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

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

**ACKNOWLEDGMENT**

STATE OF KANSAS            )  
  ) SS.  
COUNTY OF JOHNSON        )

BE IT REMEMBERED that on this \_\_\_\_ day of \_\_\_\_\_, 2016, before me, a notary public in and for said county and state, came \_\_\_\_\_, a \_\_\_\_\_ of \_\_\_\_\_ Bank, National Association, who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said national bank, and such person duly acknowledged the execution of the same to be the act and deed of said national bank.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

[SEAL]

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_.

Tenant hereby consents to the execution of this Instrument by Fee Owner and acknowledges that Fee Owner is delivering this Instrument at the request of Tenant. Tenant further joins in this Instrument solely to acknowledge and agree to its obligations and undertakings as specifically stated herein.

WOODEND HOLDINGS, LLC  
a Kansas limited liability company

By: \_\_\_\_\_  
Nathan Anderson  
Manager

**ACKNOWLEDGMENT**

STATE OF KANSAS            )  
  ) SS.  
COUNTY OF JOHNSON    )

BE IT REMEMBERED, that on this \_\_\_\_ day of \_\_\_\_\_, 2016, before me the undersigned, a Notary Public in and for the County and State aforesaid, came Nathan Anderson, the Manager of Woodend Holdings, LLC, a Kansas limited liability company, who is personally known to me to be such person, and who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said company, and such officer duly acknowledged the execution of the same to be the act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

[SEAL]

\_\_\_\_\_  
Notary Public

Typed Name: \_\_\_\_\_

My commission expires \_\_\_\_\_.

BOKF, NA, as Trustee under the Trust Interest dated as of May 1, 2009 between Fee Owner and Bank of Kansas City, N.A. hereby joins in this Instrument solely to acknowledge and agree to the provisions contained in Paragraph 10.

Bank of Kansas City, N.A.

By: \_\_\_\_\_  
Wendee Peres  
Assistant Vice President

**ACKNOWLEDGMENT**

STATE OF KANSAS )  
 ) SS.  
COUNTY OF JOHNSON )

BE IT REMEMBERED, that on this \_\_\_\_ day of \_\_\_\_\_, 2016, before me the undersigned, a Notary Public in and for the County and State aforesaid, came Wendee Peres, Assistant Vice President, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said corporation, and such officer duly acknowledged the execution of the same to be the act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

[SEAL]

\_\_\_\_\_  
Notary Public

Typed Name: \_\_\_\_\_

My commission expires \_\_\_\_\_.

## **SCHEDULE 1**

### **PROPERTY DESCRIPTION**

A portion of Lot 3, FEDEX FREIGHT, a subdivision of land in the City of Edwardsville, Wyandotte County, Kansas, described as follows:

Beginning at the Southwest corner of said Lot 3; thence North 02 degrees 15 minutes 10 seconds West, along the West line of Lot 3, 342.00 feet; thence North 87 degrees 20 minutes 58 seconds East, parallel to the South line of said Lot 3, 350.00 feet; thence South 02 degrees 15 minutes 10 seconds East, parallel to said West line of Lot 3, 342.00 feet, to a point on said South line of Lot 3; thence South 87 degrees 20 minutes 58 seconds West, along said South line of Lot 3, 350.00 feet, to the point of beginning.

**TO: MAYOR & CITY COUNCIL**  
**FROM: MICHAEL WEBB, CITY MANAGER**   
**SCOTT ANDERSON, BOND COUNSEL**  
**DATE: MARCH 14, 2016**  
**SUBJECT: ISSUANCE OF IRB's AND PUBLIC HEARING**

**RECOMMENDATION**

City Council to conduct a public hearing to consider Resolution No. 2016-04 regarding a Resolution of Intent to proceed with the issuance of Industrial Revenue Bonds for the Herff Jones, LLC Expansion Project.

**FINANCIAL IMPACT**

Not Applicable

**BACKGROUND**

Herff Jones, LLC constructed a new 120,000 sq. ft. production plant at 2525 Midpoint Drive in 2005. The City issued its Series 2005 industrial revenue bonds to finance the construction of that plant. The project received property tax abatement from 2006 through 2015. The property is now back on the tax rolls.

Herff Jones has submitted an application for Industrial Revenue Bonds and property tax abatement for the construction of a 48,000 sq. ft. expansion of its existing facility. The expansion will include a 6,400 sq. ft. mezzanine.

Herff Jones has requested a fixed payment PILOT schedule with annual PILOT payments equal to approximately 50% of the property taxes that would have been due on the expanded portion of the facility if there was no abatement. This results in a first year PILOT payment of \$46,960. The annual PILOT payments shall increase by 1.5% each year.

The property tax abatement will have no impact on the existing Herff Jones facility. The existing facility is back on the tax rolls and will remain on the tax rolls.

The attached resolution authorizes staff and Bond Counsel to proceed with the work necessary to issue the industrial revenue bonds. The resolution will expire in two years if bonds have not been issued for the project prior to that time.

Staff recommends the City Council adopt Resolution No. 2016-04 regarding a resolution of intent authorizing staff to proceed with the issuance of Industrial Revenue Bonds for the Herff Jones, LLC Expansion Project.

## RESOLUTION NO. 2016-04

### RESOLUTION DETERMINING THE INTENT OF THE CITY OF EDWARDSVILLE, KANSAS, TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE AGGREGATE APPROXIMATE PRINCIPAL AMOUNT OF \$6,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING AND EQUIPPING A COMMERCIAL FACILITY FOR THE BENEFIT OF HERFF JONES, LLC AND ITS SUCCESSORS AND ASSIGNS

---

**WHEREAS**, the City of Edwardsville, Kansas (the “City”), desires to promote, stimulate and develop the general welfare and economic prosperity of the City and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

**WHEREAS**, the City is authorized and empowered under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive (the “Act”), to issue industrial revenue bonds to pay the cost of certain facilities (as defined in the Act) for the purposes set forth in the Act, and to lease such facilities to private persons, firms or corporations; and

**WHEREAS**, Herff Jones, LLC, an Indiana limited liability company (the “Company”), has submitted an application for the issuance of industrial revenue bonds and property tax abatement (the “Application”) requesting that the City finance the costs of acquiring, constructing and equipping a commercial project, consisting of an approximately 48,000 sq. ft. expansion to its existing production facility located at 2525 Midpoint Drive, Edwardsville, Kansas, as more fully described in the Application (the “Project”) through the issuance of its industrial revenue bonds in an approximate aggregate principal amount of \$6,000,000, and to lease the Project to the Company, or its successors and assigns, in accordance with the Act; and

**WHEREAS**, it is hereby found and determined to be advisable and in the interest and for the welfare of the City and its inhabitants that the City finance the costs of the Project by the issuance of industrial revenue bonds under the Act, to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the City to the Company.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF EDWARDSVILLE, KANSAS, AS FOLLOWS:**

**Section 1. Approval of Project.** The Governing Body of the City hereby finds and determines that the acquiring, constructing and equipping of the Project will promote the general welfare and economic prosperity of the City of Edwardsville, Kansas, and the issuance of the City’s industrial revenue bonds to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act.

**Section 2. Intent to Issue Bonds.** The Governing Body of the City hereby determines and declares the intent of the City to acquire, construct and equip the Project out of the proceeds of industrial revenue bonds of the City in an aggregate approximate principal amount of \$6,000,000 to be issued pursuant to the Act.

**Section 3. Provision for the Bonds.** Subject to the conditions of this Resolution, the City will (i) issue its industrial revenue bonds to pay the costs of acquiring, constructing and equipping the Project, with such maturities, interest rates, redemption terms and other provisions as may be determined by ordinance of the City; (ii) provide for the lease (with an option to purchase) of the Project to the

Company; and (iii) to effect the foregoing, adopt such resolution and ordinance and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of said bonds by the City and take or cause to be taken such other action as may be required to implement the aforesaid.

**Section 4. Conditions to Issuance.** The issuance of said bonds and the execution and delivery of any documents related to the bonds are subject to: (i) obtaining any necessary governmental approvals; (ii) agreement by the City, the Company and the purchaser of the bonds upon (a) mutually acceptable terms for the bonds and for the sale and delivery thereof, and (b) mutually acceptable terms and conditions of any documents related to the issuance of the bonds and the Project; (iii) the Company's compliance with the City's policies relating to the issuance of industrial revenue bonds and ad valorem tax abatement; and (iv) the receipt and approval by the City of an application for the issuance of industrial revenue bonds for the Project. Unless the City shall waive this requirement, the bonds issued pursuant to this Resolution shall be issued prior to the date that is two years from the adoption of this Resolution by the City.

**Section 5. Sale of the Bonds.** The sale of the bonds shall be the responsibility of the Company; provided, however, arrangements for the sale of the bonds shall be acceptable to the City.

**Section 6. Ad Valorem Tax Abatement.** In consideration of the Company's decision to acquire, construct and equip the Project, the City hereby agrees to take all appropriate action to request the Kansas Board of Tax Appeals to approve a 10-year ad valorem property tax abatement for all real property financed with the proceeds of the bonds. In consideration of the City's agreement to request such abatement, the Company will agree to make payments in lieu of tax to the City in the following amounts:

<u>Year</u>	<u>PILOT Amount</u>
1	\$46,960
2	47,664
3	48,379
4	49,105
5	49,842
6	50,589
7	51,348
8	52,118
9	52,900
10	53,693

This PILOT schedule and any other terms of the property tax abatement shall be set forth in the performance based tax agreement executed by the City and the Company.

**Section 7. Limited Obligations of the City.** The bonds and the interest thereon shall be special, limited obligations of the City payable solely out of the amounts derived by the City under a Lease Agreement with respect to the bonds and as provided herein and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the owners of the bonds, as provided in the Indenture. The bonds shall not constitute a general obligation of the City, the State or of any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the City, the State or of any other political subdivision thereof and shall not be payable in any manner by taxation, but shall be payable solely from the funds provided for as provided in the Indenture. The issuance of the bonds

shall not, directly, indirectly or contingently, obligate the City, the State or any other political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

**Section 8. Required Disclosure.** Any disclosure document prepared in connection with the placement or offering of the bonds shall contain substantially the following disclaimer:

NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT, OTHER THAN WITH RESPECT TO INFORMATION CONCERNING THE CITY CONTAINED UNDER THE CAPTIONS "THE CITY" AND "LITIGATION - THE CITY" HEREIN, HAS BEEN SUPPLIED OR VERIFIED BY THE CITY, AND THE CITY MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

**Section 9. Authorization to Proceed.** The Company is hereby authorized to proceed with the acquiring, constructing and equipping of the Project, including the necessary planning and engineering for the Project and entering into of contracts and purchase orders in connection therewith, and to advance such funds as may be necessary to accomplish such purposes and, to the extent permitted by law, the City will reimburse the Company for all expenditures paid or incurred therefor out of the proceeds of the bonds.

**Section 10. Benefit of Resolution.** This Resolution will inure to the benefit of the City and the Company. The Company may, with the prior written consent of the City, assign all or a portion of its interest in this Resolution to another entity, and such assignee will be entitled to the benefits of the portion of this Resolution assigned and the proceedings related hereto.

**Section 11. Further Action.** Counsel to the City and SA Legal Advisors LC, Bond Counsel for the City, together with the officers and employees of the City, are hereby authorized to work with the purchaser of the bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the City all documents necessary to effect the authorization, issuance and sale of the bonds and other actions contemplated hereunder.

**Section 12. Effective Date; Termination.** This Resolution shall take effect and be in full force immediately after its adoption by the Governing Body of the City. This Resolution shall terminate and be of no further force or effect two years after the effective date if bonds have not been issued for the Project by such time.

**ADOPTED** this 14<sup>th</sup> day of March, 2016.

**CITY OF EDWARDSVILLE, KANSAS**

[SEAL]

By: \_\_\_\_\_  
John McTaggart, Mayor

ATTEST:

\_\_\_\_\_  
Zachary Daniel, City Clerk

Approved as to form:

\_\_\_\_\_  
Scott W. Anderson, Bond Counsel

**TO: MAYOR & CITY COUNCIL**  
**FROM: MICHAEL WEBB, CITY MANAGER**   
**DATE: MARCH 14, 2016**  
**SUBJECT: LTC SEWER PROJECT AUTHORIZATION**

**RECOMMENDATION**

City Council to consider Resolution No. 2016-05, authorizing sewer improvements (the LTC Sewer Project) and the use of temporary notes/general obligation bonds for such improvements; consider Resolution No. 2016-06 authorizing the public sale of temporary notes; and any other required action.

**FINANCIAL IMPACT**

The proposed project amount is \$1,300,000 with future bond payments from utility revenues and/or property taxes.

**BACKGROUND**

As you know, the City has been developing a plan to provide sewer service to the northern portion of Edwardsville in the vicinity of 110th St and I-70 for several years. Based on those discussions and plans, the City Council authorized the City Manager to enter into a contract with BHC Rhodes for final design and bidding services for the construction of the necessary LTC east lift station and force main at its January 25, 2016 regular meeting.

The first step in financing the project is adoption of a resolution authorizing the improvements and the financing. The resolution also provides for the reimbursement of certain expenses prior to receipt of bond funds (Resolution No. 2016-05). The Council must also authorize the public sale of temporary notes (Resolution No. 2016-06), which is tentatively scheduled for April 25. An additional resolution will be required prior to the public sale of the permanent financing bonds which is expected in late 2019. Mr. Tyler Ellsworth with Kutak Rock, the City's bond counsel, will be present to address any questions.

For reference, the City's engineer is tentatively considering the issuance of bids for the construction of the LTC sewer project in early to mid-April with a bid opening in early to mid-May.

In closing, staff recommends adoption of Resolution No. 2016-05, authorizing sewer improvements (the LTC Sewer Project) and the use of temporary notes/general obligation bonds for such improvements and adoption of Resolution No. 2016-06 authorizing the public sale of temporary notes.

**RESOLUTION NO. 2016-05**

**A RESOLUTION AUTHORIZING THE CONSTRUCTION OF CERTAIN IMPROVEMENTS TO THE SEWAGE SYSTEM OF THE CITY OF EDWARDSVILLE, KANSAS, UNDER K.S.A. 12-617 AND 12-618 AND AUTHORIZING GENERAL OBLIGATION BONDS TO PROVIDE FINANCING FOR SUCH IMPROVEMENTS.**

**WHEREAS**, pursuant to K.S.A. 12-617 and 12-618 (the "Act"), any city having a population of less than 80,000 which has not divided the city into more than one district for sewer purposes is authorized to provide for a system of sewerage, to build and construct sewers and to issue general obligation bonds to pay the cost thereof; and

**WHEREAS**, the City of Edwardsville, Kansas (the "City"), is a city with a population of less than 80,000 which has not divided the City into more than one district for sewer purposes; and

**WHEREAS**, the Governing Body of the City hereby finds and determines that it is desirable and necessary to finance the cost of sewer system improvements for the City including the design, engineering, construction, inspection and right-of-way acquisition of a sewer lift station and force main and all related appurtenances at an estimated cost of \$1,300,000 (the "Improvements") which Improvements are a necessary and integral part of the City's system of sewerage and, therefore, authorized to be constructed and financed under the Act; and

**WHEREAS**, the Governing Body of the City hereby finds and determines that it is desirable and in the best interests of the City to provide financing for the Improvements through the issuance of general obligation bonds pursuant to the Act;

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF EDWARDSVILLE, KANSAS, AS FOLLOWS:**

**Section 1.** The Improvements are hereby authorized under the Act and the City is authorized to issue its general obligation bonds in an amount not to exceed \$1,000,000 to pay for the cost of the Improvements. Temporary notes may be issued from time to time to pay for the interim financing for the Improvements until general obligation bonds are issued.

**Section 2.** In accordance with United States Treasury Regulation 1.150-2, the Governing Body of the City hereby indicates its intent to reimburse the City with the proceeds of bonds, notes or other obligations of the City, the interest on which is expected to be exempt from federal income taxation, for costs of the Project in an amount not to exceed \$1,300,000, including the costs of issuance for such obligations.

**Section 3.** This Resolution shall be in full force and effect from and after its adoption.

**PASSED AND APPROVED** by the governing body for the City of Edwardsville, Kansas  
this 14<sup>th</sup> day of March, 2016.

\_\_\_\_\_  
John McTaggart, Mayor

Attest:

\_\_\_\_\_  
Zachary Daniel, City Clerk

**RESOLUTION NO. 2016-06**

**A RESOLUTION AUTHORIZING THE PUBLIC SALE OF APPROXIMATELY \$1,255,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION TEMPORARY NOTES, SERIES 2016, OF THE CITY OF EDWARDSVILLE, KANSAS.**

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF EDWARDSVILLE, KANSAS, AS FOLLOWS:**

**Section 1.** The General Obligation Temporary Notes, Series 2016, of the City of Edwardsville, Kansas (the "City"), in the principal amount of approximately \$1,255,000 (the "Notes"), shall be offered at competitive public sale on April 25, 2016, at 10:00 a.m., Central Daylight Saving Time or at such other time and date approved by the Mayor that is the date of a City Council meeting.

<b>Approximate Principal Amount</b>	<b>Name of Obligation</b>	<b>Series</b>
\$1,255,000	General Obligation Temporary Notes	2016

**Section 2.** The City Manager, in conjunction with Piper Jaffray & Co., the City's Financial Advisor, is authorized and directed to receive bids for the purchase of the Notes on behalf of the City at the specified time and place and to report on all bids so received to the Governing Body at its meeting to be held at 7:00 p.m. on such date, at which meeting the Governing Body shall review the bids and act on the acceptance of the best bid. Such bids may be received electronically through an experienced municipal bond electronic bid provider and through other means determined by the City Manager, in consultation with the City's Bond Counsel and Financial Advisor, to be in the best interest of the City.

**Section 3.** The Mayor and City Manager are authorized to cause to be prepared and executed a Preliminary Official Statement for use in connection with the public sale of the Notes.

**Section 4.** The City Manager is authorized and directed to give notice of the Note sale by making copies of the Notice of Sale and Preliminary Official Statement available to prospective purchasers of the Notes.

**Section 5.** For the purpose of enabling the purchaser of the Notes (the "Original Purchaser") to comply with the requirements of Rule 15c2-12(b)(1) of the Securities Exchange Commission, the appropriate officers of the City are authorized, if requested, to provide the Original Purchaser a letter or certification to the effect that the City deems the information contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Original Purchaser to comply with the requirement of such Rule.

**Section 6.** The City agrees to provide to the Original Purchaser within seven business days of the date of the sale of Notes or within sufficient time to accompany any confirmation that requests payment from any customer of the Original Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Original Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

**Section 7.** The City agrees to enter into a written agreement or contract on or before the date of delivery of the Notes to provide ongoing disclosure about the City for the benefit of the holders of the Notes as required by Rule 15c2-12(d)(2) of the Securities and Exchange Commission (the "Rule"). The City may further designate Kutak Rock LLP as an agent of the City for the purpose of obtaining and disseminating information in connection with the Rule if requested by the City.

**Section 8.** The City Manager; the City Clerk; the City's Financial Advisor; Kutak Rock LLP, the City's Bond Counsel; and the other officers and representatives of the City are authorized and directed to take such other action as may be necessary to carry out the public sale of the Notes.

**Section 9.** This Resolution shall be in full force and effect from and after its adoption.

**PASSED AND APPROVED** by the governing body for the City of Edwardsville, Kansas this 14<sup>th</sup> day of March, 2016.

---

John McTaggart, Mayor

Attest:

---

Zachary Daniel, City Clerk

TO: MAYOR & CITY COUNCIL  
FROM: MICHAEL WEBB, CITY MANAGER  
DAVE KNOPIK, CITY PLANNER  
DATE: MARCH 14, 2016  
SUBJECT: ANNUAL PERMIT RENEWAL – OFF-PREMISE ADVERTISING /  
BILLBOARDS

**RECOMMENDATION**

Governing Body to consider Ordinance No. 958 changing the fee for annual renewal of permits for off-premise advertising / billboard signage.

**FINANCIAL IMPACT**

None. The intent of the fee is to cover the costs associated with permit administration and sign inspection activities.

**BACKGROUND**

On May 28, 2013, the current sign regulations for the City of Edwardsville were adopted by the Governing Body. A portion of those regulations relates to permitting off-premise advertising / billboards in the City of Edwardsville. The adopted permitting process speaks to the requirement for acquiring a permit for new signage, as well as the annual renewal of the permit. Fees associated with permitting are currently \$1,000 (paid one time) for a new permit and \$500 for the renewal permit (paid annually). There are currently 14 such signs in the city.

The intent of the annual renewal is to ensure that each off-premise advertising / billboard sign is in compliance with applicable codes. As part of the process city staff (in-house and contracted staff) administer the process including the distribution of renewal notices; processing of applications for permits; review of supplemental application materials; visual / physical inspection of signs; and processing / distribution of permits.

The visual / physical inspection process is to ensure that no modifications have been made to the sign which are not properly permitted or not allowed, as well as to identify any maintenance issues and/or initial structural problems. Currently the state does conduct an inventory process and also administers a license renewal program. These processes merely verify the presence of such signage along certain highways in the state.

A recent review of the state license and inventory procedures along with a look at city staffing changes since the adoption of the current regulations has lead to a staff recommendation that the renewal fee be lowered from \$500 annually to \$125 annually. This amount covers the anticipated average time / cost associated with proper administration of the permit renewal process per current City policies.

In closing, staff recommends adoption of Ordinance No. 958 authorizing the reduction of the off-premise advertising / billboard annual permit renewal fee from \$500 to \$125.

**ORDINANCE NO. 958**

**AN ORDINANCE AMENDING THE CODE OF THE CITY OF EDWARDSVILLE, KANSAS (“CODE”), CITY OF EDWARDSVILLE SIGN REGULATIONS (ORDINANCE No. 921 ADOPTED MAY 28, 2013) SECTION 60.15 I. iii. AND REPEALING ALL OTHER ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE.**

**WHEREAS**, the City levies fees and charges for various sign permits; and

**WHEREAS**, such fees and charges are reviewed and amended from time to time to ensure the fees and charges are appropriate to cover expenses related to such municipal services associated with sign permits.

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

**Section 1.** The Sign Regulations (Ordinance No. 921 adopted May 28, 2013) City of Edwardsville, Kansas is hereby amended to read as follows:

**Sec. 60.15 Sign Permits – Approval Procedures / Permit Fees**  
**I. Permit Fee**

- iii. Off-premise advertising / Billboards - \$1,000 for each sign initial permit. \$125 annual renewal permit for each sign.

**Section 2.** All other ordinances or parts of ordinances in conflict with the provisions of this ordinance shall be and are hereby repealed.

**Section 3.** This Ordinance shall take effect and be in force from and after its passage and publication as required by law.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF EDWARDSVILLE, KANSAS ON THIS 14<sup>th</sup> DAY OF MARCH 2016.**

\_\_\_\_\_  
John McTaggart, Mayor

ATTEST:

\_\_\_\_\_  
Zachary Daniel, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
David Duckers, City Attorney

**TO: MAYOR & CITY COUNCIL**  
**FROM: ZACHARY DANIEL, ASSISTANT TO THE CITY MANAGER/CITY CLERK**  
**DATE: MARCH 14, 2016**  
**SUBJECT: ORDINANCE NO. 959 AMENDING THE FEE SCHEDULE OF THE EDWARDSVILLE CODE OF ORDINANCES**

**RECOMMENDATION**

City Council to consider Ordinance No. 959 amending article A9.002, Cemetery Fees, of Appendix A of the Code of Ordinances

**FINANCIAL IMPACT**

Cemetery revenues generated \$4,550 (13 graves) in 2015 and have generated \$2,450 (7 graves) so far in 2016.

**BACKGROUND**

At the January meeting of the Edwardsville Cemetery Board, the group determined that pricing for lots in the Edwardsville Cemetery is far below prices in peer communities. Current costs are \$350 for a burial plot for an Edwardsville resident and \$700 for a non-resident. Peer community lot prices are captured in the table below.

<b>Community</b>	<b>Lot Prices</b>
<b>Bonner Springs</b>	\$1,100 for full lot \$550 for half lot
<b>Shawnee</b>	\$1,200
<b>Chapel Hill</b>	\$1,595-\$3,495 depending on location
<b>Highland Park</b>	\$1,850-\$2,050 depending on location

The Cemetery Board recommends that cemetery fees be changes to \$750-\$1,000 depending on residency beginning June 1. Staff recommends adoption of Ordinance No. 959, amending the fee schedule of the Edwardsville Code of Ordinances.

**ORDINANCE NO. 959**

**AN ORDINANCE AMENDING THE CODE OF THE CITY OF EDWARDSVILLE, KANSAS (“CODE”), APPENDIX A FEE SCHEDULE AND REPEALING ALL OTHER ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE.**

**WHEREAS**, the City levies fees and charges for various municipal services; and

**WHEREAS**, such fees and charges are reviewed and amended from time to time to ensure the fees and charges are appropriate to cover expenses related to such municipal services.

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

**Section 1.** Article A9.002, Cemetery Fees of Appendix A Fee Schedule of the Code of Ordinances, City of Edwardsville, Kansas is hereby amended to read as follows:

**Sec. A9.002 Cemetery Fees**

Grave lots: \$750.000 for Edwardsville residents  
\$1,000.00 for non-residents

**Section 2.** All other ordinances or parts of ordinances in conflict with the provisions of this ordinance shall be and are hereby repealed.

**Section 3.** This Ordinance shall take effect and be in force from and after its passage and publication as required by law. Amendments to Cemetery Fees shall take effect and be in force from and after July 1, 2016

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF EDWARDSVILLE, KANSAS ON THIS 14<sup>th</sup> DAY OF MARCH 2016.**

\_\_\_\_\_  
John McTaggart, Mayor

ATTEST:

\_\_\_\_\_  
Zachary Daniel, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
David Duckers, City Attorney

**TO: MAYOR & CITY COUNCIL**  
**FROM: MICHAEL WEBB, CITY MANAGER**   
**ZACHARY DANIEL, ASST. TO THE CITY MANAGER/CITY CLERK**  
**DATE: MARCH 14, 2016**  
**SUBJECT: RESOLUTION NO. 2016-07 ANNOUNCING THE CITY'S INTENT TO  
CONSIDER ADOPTION OF AN ORGANIZED COLLECTION SERVICE  
FOR COMMERCIAL SOLID WASTE SERVICES**

**RECOMMENDATION**

City Council to consider Resolution No. 2016-07 announcing the City's intent to consider adopting an organized collection service for commercial businesses within the City of Edwardsville.

**FINANCIAL IMPACT**

Not Applicable

**BACKGROUND**

In order to meet the requirements mandated in K.S.A. 12-2036, for establishing an organized collection service for commercial businesses within the City limits, there first must be a public hearing regarding the consideration of adoption of a resolution announcing the City's intent to that effect. If passed, the resolution would simply confirm the City's intent to establish an organized collection service for commercial solid waste and would not further obligate the City to any other action.

The resolution outlines the purpose and goals of the proposed organized collection service as well as the public's participation in the planning meetings. If passed, the next action would be to develop an action plan to be presented at a public hearing during the Monday, August 22 City Council session.

**RESOLUTION NO. 2016-07**

**A RESOLUTION OF THE CITY OF EDWARDSVILLE, KANSAS, ANNOUNCING THE CITY'S INTENT TO CONSIDER ADOPTION OF AN ORGANIZED COLLECTION SERVICE PLAN FOR COMMERCIAL SOLID WASTE SERVICES WITHIN THE CITY LIMITS OF EDWARDSVILLE, KANSAS.**

**WHEREAS**, on February 8, 2016 the Edwardsville City Council approved a contract for solid waste services with Deffenbaugh Industries; and

**WHEREAS**, the governing body has the authority to establish an organized commercial solid waste collection service within the boundaries of the City of Edwardsville, Kansas; and

**WHEREAS**, notice of a public hearing to be held March 14, 2016 beginning at 7:00 p.m., or as soon thereafter as the governing body's schedule allows, to consider passage of a resolution of intent to consider establishing an organized commercial solid waste collection service was published in the Wyandotte Echo on February 11, 2016 and mailed to all licenses or other persons, operating solid waste or recycling collection services in the City;

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

**Section 1. Declaration of intent.** The City of Edwardsville hereby declares its intent to consider adoption of an organized collection service plan for commercial solid waste services within the city limits of Edwardsville. The statement of intent does not obligate the City to pursue commercial solid waste services, but it provides notification of consideration of such.

**Section 2. Purpose and goals.** The City of Edwardsville strives to achieve the following goals, and provides the following reasons for establishing an organized commercial solid waste collection service, to-wit;

- a) Assist with ongoing efforts and programs to beautify the City and provide service to its commercial businesses;
- b) Ensure that every commercial business has solid waste collection service on a regular periodic basis;
- c) Establish a uniform commercial solid waste collection billing system for city businesses; and
- d) Ensure the most cost efficient solid waste service rates for both commercial businesses and Edwardsville residents

The above list is not exhaustive and may be altered during the formation of the solid waste plan during the 90-day period following the adoption of this resolution.

**Section 3. Public participation in planning meetings.** All interested parties, including licensees and other persons operating solid waste collection services in the City of Edwardsville, Kansas as of March 14, 2016 are invited to participate in the planning and establishing of the proposed organized commercial collection service. Notice of such meetings will be posted on the city's website, [www.edwardsvilleks.org](http://www.edwardsvilleks.org), as well as on the City's primary social media account, [www.facebook.com/EdwardsvilleKS](http://www.facebook.com/EdwardsvilleKS).

**Section 4. Public hearing.** The public hearing for the proposed organized commercial service plan will be held before the governing body of the City of Edwardsville, on Monday, August 22, in the City

Council Chambers, City Hall 690 S. 4<sup>th</sup> St., Edwardsville, Kansas. Said hearings shall begin at 7:00 p.m. or as soon thereafter as the governing body's scheduled agenda allows

**ADOPTED** by the governing body of the City of Edwardsville, Kansas, this 14<sup>th</sup> day of March, 2016.

---

John McTaggart, Mayor

[SEAL]

ATTEST:

---

Zachary Daniel, City Clerk

**TO: MAYOR & CITY COUNCIL**  
**FROM: TIM WHITHAM, FIRE CHIEF**  
**DATE: MARCH 14, 2016**  
**SUBJECT: INCREASE REQUIRED TREASURY BOND**

**RECOMMENDATION**

City Council to consider authorizing Edwardsville Firefighters Relief Association (EFRA) Treasurer Captain Dan Johnson to enter into an agreement with CNA Surety for the purchase of increased coverage of a Treasurer's Bond for the EFRA.

**FINANCIAL IMPACT**

The increase for the Treasurer's bond will be \$625 per year, paid from the EFRA.

**BACKGROUND**

During a recent Firefighters Relief Association in-service meeting that EFRA members attended, it was recommended that the EFRA take out additional coverage for the treasurer's bond to reflect all current assets and future deposits of Firefighters Relief Act funds. Currently the EFRA treasurer's bond covers \$50,000 and current assets are identified at \$109,000. The EFRA membership recommends a new treasurer's bond be issued for \$125,000. EFRA and K.S.A. 40-1706(g) state that the treasurer of a Firefighters Relief Association shall give bond for the safe keeping of funds received under the firefighters relief act and for faithful performance in such sum with such sureties as may be approved by the governing body of such city, township, county or fire district.

In closing, staff recommends the City Council authorize the EFRA Treasurer Captain Dan Johnson to enter into the necessary contract for the purchase of a treasurer's bond with coverage for \$125,000 from the EFRA current bonding agency, CNA Surety for the cost of \$625 to be paid from the EFRA.