

Agenda

City Commission of the City of Neodesha, KS

May 24, 2023 2:00 p.m.

ZOOM Online Access: <https://us02web.zoom.us/j/6203252828>

Item 1: Opening Session

- Call to Order
- Roll Call
- ***Oath of Office: Commissioner Vail-Keller***
- Invocation
- Pledge of Allegiance
- Additions/Deletions to the Agenda
- Mayor's Report
- Commissioners' Reports
- City Administrator's Comments
- Community Development Director Report

Item 2: Public Comments

Item 3: Consent Agenda (Routine agenda items can be approved with unanimous consent of the City Commission. Any item can be removed and placed in items of business.)

- Approval of May 16, 2023 Minutes
- Approval of May 19, 2023 Special Call Minutes
- Appropriation (2023) 09

Item 4: Business Items to Consider

- A. Ordinance: Authorizing GO Bonds for Water/Sewer Project
- B. Resolution: Bond Resolution; Series 2023-A
- C. Ordinance: Vicious Dogs
- D. Ordinance: Special Purpose Vehicles
- E. Resolution: Depository Resolution
- F. Approve Purchase of Substation Repairs
- G. Approve Purchase of Wildlife Protections at Substation
- H. Approve KHRC Second Mortgage Promissory Note Content
- I. Consider Bid for Library Roof
- J. Approve Letter of Agreement with EBH Engineering; Annexation Assistance
- K. Approve Letter of Intent with First Step Builders: 8th/9th & Carolina
- L. Consider Consulting Agreement: First Step Builders
- M. Accept Resignation of Public Works Employee

Item 5: Date/Time of Next Regular Meeting

Wednesday, June 14, 2023 at 2:00 p.m. – Regular Meeting, City Hall

Item 6: Executive Session

Item 7: Adjournment

**AGENDA COMMENTS
CITY COMMISSION MEETING
May 24, 2023**

Additions to the Agenda

RECOMMENDED MOTION: *I move to approve the agenda as presented.*

Consent Agenda

RECOMMENDED MOTION: *I move to approve the consent agenda as presented.*

Business Items to Consider

4.A: Ordinance: Authorizing GO Bonds for Water/Sewer Project

The City is working with Mr. Dave Arteberry, Stifel, Nicolaus & Company, and USDA-RD towards the retirement of the City's temporary note financing on the water/sewer project, and the final issuance of General Obligation Bonds for this portion of the project. Bond closing, and delivery of funds, is expected to occur on June 27, 2023. Bond Counsel has prepared this draft Ordinance for the Commission's consideration.

RECOMMENDED MOTION: *I move to approve Ordinance 1782 authorizing the issuance of General Obligation Bonds, Series 2023-A, in the principal amount of \$998,000.*

4.B: Resolution: Bond Resolution; Series 2023-A

The Commission is asked to approve Resolution 23-09, a Resolution prescribing the form and details of, and authorizing and directing the sale and delivery of the Series 2023-A G.O. Bonds in the principal amount of \$998,000.

RECOMMENDED MOTION: *I move to adopt Resolution 23-09 as presented.*

4.C: Ordinance: Vicious Dogs

The activity in our community related to aggressive dogs seems to be on the rise. Clarence indicates that a significant portion of his day is taken up with dogs at large, and dangerous/vicious dog complaints. Recently, we had a successful prosecution in municipal court that resulted in a dog being ordered removed from the City. This court case, however, revealed some administrative errors in the current ordinance. Staff has worked with the City Attorney, and this draft ordinance will correct those errors, making this a more effective ordinance.

RECOMMENDED MOTION: *I move to approve Ordinance 1783 as presented.*

4.D: Ordinance: Special Purpose Vehicles

At the Commission's request, Staff has prepared a draft Ordinance related to Special Purpose Vehicles. The draft ordinance has been modeled after the sample ordinance from the League of Kansas Municipalities for special purpose vehicles. The City Attorney has reviewed the ordinance draft.

RECOMMENDED MOTION: *I move to approve Ordinance 1784 as presented.*

4.E: Resolution: Depository Resolution

Due to the resignation of Commissioner Nichol, and the appointment of Commissioner Vail-Keller, the Commission is asked to approve the updated Depository Resolution. This depository resolution provides authority for management of City funds.

RECOMMENDED MOTION: *I move to adopt Resolution 23-10 as presented*

4.F: Approve Purchase of Substation Repairs

In March 2023, the Commission approved the purchase of a very expensive 69 kV circuit breaker for the substation. The Commission is now asked to approve the cost of the 2nd, smaller, circuit breaker, and the expense for the installation of both circuit breakers.

RECOMMENDED MOTION: *I move to approve the invoices from KMEA Mid-States, for substation repairs, at a cost of \$60,100.*

4.G: Approve Purchase of Wildlife Protections at Substation

The Commission is asked to consider the purchase of a Wildlife Protection system, to be emplaced at the substation. This agenda topic could be more accurately described as a "substation protection system." Over the past two years, we have had several squirrel attacks on our substation, costing the City thousands of dollars. Agenda item 4F tabulates our ongoing expense at the substation at approximately \$60,000. The recent purchase of the 69 kV circuit breaker was over \$70,000. This Wildlife Protection System is a necessary purchase to provide protection to our substation.

RECOMMENDED MOTION: *I move to approve the purchase of the Wildlife Protection System from Border States, at a cost of \$10,041.73.*

4.H: Approve KHRC Second Mortgage Promissory Note Content

As the Commission is aware, the City has secured a portion of our housing grant money to be used as downpayment assistance for the new homes under construction on McCartney Lane. The Kansas Housing Resources Corporation (KHRC), has worked with City Staff to draft a 2nd Mortgage document to document the obligation for these funds, and the 20% per-year forgiveness of this downpayment assistance.

RECOMMENDED MOTION: *I move to approve the content of the KHRC downpayment assistance 2nd mortgage document as presented.*

4.I: Consider Bid for Library Roof

Staff will present information to the Commission regarding replacement costs for the library roof. Library staff has obtained quotes from roofing contractors, and is asking the City for assistance in covering the cost of the repairs. Staff believes that any assistance the City can provide, although necessary, should be delayed until the City has approved a budget amendment for 2023.

RECOMMENDED MOTION: *I move to table consideration for the library roof until _____.*

4.J: Approve Letter of Agreement with EBH Engineering; Annexation Assistance

The Commission is asked to consider a Letter of Agreement with EBH Engineering, for annexation assistance. EBH will be asked to document several legal descriptions for proposed annexations, and for additional services in preparing the annual annexation Resolution.

RECOMMENDED MOTION: *I move to approve the Letter of Agreement with EBH Engineering, for annexation assistance, at a cost of \$7,600.*

4.K: Approve Letter of Intent with First Step Builders: 8th/9th & Carolina

This agenda topic was tabled by the Commission on April 12, 2023. Approval of this Letter of Intent will allow First Step Builders to begin planning for additional housing between 8th and 9th Streets at Carolina.

RECOMMENDED MOTION: *I move to approve the Letter of Intent with First Step Builders as presented.*

4.L: Consider Consulting Agreement: First Step Builders

Staff will present information to the Commission on this request from First Step Builders. In short, an agreement of this sort will aid towards housing projects in Neodesha.

RECOMMENDED MOTION: *To be determined.*

4.M: Accept Resignation of Public Works Employee

RECOMMENDED MOTION: *I move to accept the resignation of Matt Mahaffey, effective May 26, 2023.*

The Board of Commissioners met in regular session at 2:00 p.m., on Tuesday, May 16, 2023, in the Commission Room at City Hall conducting the meeting by live streaming with Zoom with Mayor Johnson presiding and Commissioner Moffatt present. The meeting today is a continuation of the regularly scheduled meeting that was set for 2:00 p.m., on Wednesday, May 10, 2023 in the Commission Room at City Hall, in which a quorum was not present.

Commissioner Moffatt moved to approve the agenda as presented. Seconded by Mayor Johnson. Motion carried.

Commission reports were heard.

City Administrator reports were heard.

Community Development Director reports were heard.

Public Comments were invited and heard.

Commissioner Moffatt moved to approve the consent agenda as presented consisting of minutes from the April 26, 2023 Meeting; minutes from the May 10, 2023 meeting; and Appropriation (2023) 08. Seconded by Mayor Johnson. Motion carried.

Mayor Johnson read a proclamation designating the week of May 14 through May 20, 2023 as National Police Week; and to observe Monday, May 15, 2023, as Peace Officers' Memorial Day. A special thank you was given to Chief Sam Tomlinson and the Neodesha Police Department, and all law enforcement officers, past and present, who, by their faithful and loyal devotion to their responsibilities, have rendered a dedicated service to their communities and, in so doing, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens.

Mayor Johnson read a proclamation designating May 21 through May 27, 2023 as Emergency Medical Services Week: Where Emergency Care Begins. A special thank you was given to Chief Keenan Fyfe, the Neodesha Fire/EMS Department and all emergency medical service entities, recognizing emergency medical services is a vital public service; and the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and emergency medical services has grown to fill a gap by providing important, out of hospital care, including preventative medicine, follow-up care, and access to telemedicine; and the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills.

Administrator Truelove addressed the Commission regarding a contract with NEOGOV, for recruitment advertising and screening/vetting services for hiring new staff. Discussion held.

Commissioner Moffatt moved to approve the service contract with NEOGOV for recruitment and advertising services at a cost not to exceed \$12,000. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding the purchase of new fire hose for the Fire/EMS Department. Discussion held.

Commissioner Moffatt moved to approve the purchase of fire hose from Casco Industries Inc, at a cost of \$8,650. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding a letter of support for a small construction project for Beachner Grain. Discussion held.

Commissioner Moffatt moved to approve the Letter of Support for Beachner Grain Inc as presented. Seconded by Mayor Johnson. Motion carried.

Commissioner Moffatt moved to convene as the Neodesha Land Bank Board to discuss the return of Land Bank property at 7 & 8 Timber Ridge Estates. Seconded by Mayor Johnson. Motion carried.

Commissioner Moffatt moved to accept the return of Timber Ridge Lots 7 & 8 into the Land Bank. Seconded by Mayor Johnson. Motion carried.

Commissioner Moffatt moved to adjourn as the Neodesha Land Bank Board and re-convene as the City of Neodesha Governing Body. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding setting a date and time for a Special Call Commission Meeting, to consider an appointment to fill the unexpired term of Commissioner Nichol. Discussion held.

Commissioner Moffatt moved to set a Special Call Commission Meeting for Friday, May 19, 2023 at 12:00 noon in the Commission Room at City Hall. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding a resolution authorizing the issuance of bonds for the water/sewer project. Discussion held.

RESOLUTION 23-08

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF NEODESHA AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS DRINKING WATER FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE. (a complete copy of the Resolution can be viewed in the City Clerk's office at City Hall)

(continued on next page)

Commissioner Moffatt moved to adopt Resolution 23-08 as presented. Seconded by Mayor Johnson. Motion carried.

The Governing Body welcomed Dave Arteberry, Stifel, Nicolaus & Co, by Zoom, for a discussion on the process of closing out our temp note financing, for the water/sewer project, issuing bonds; and asking for the approval of the Financial Advisory Services Agreement for assistance with this bond. Discussion held.

Commissioner Moffatt moved to approve the Financial Advisory Services Agreement with Stifel, Nicolaus & Company Inc, as presented. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding awarding demolition bids after the process of advertising and receiving bids was conducted by Staff. The Commission is being asked to award the bids to the lowest qualified bidder. Discussion held.

Commissioner Moffatt moved to approve the Notice of Award for demolition to Starbuck Trucking, for 1309 N 5th Street, at a bid price of \$7,500. Seconded by Mayor Johnson. Motion carried.

Commissioner Moffatt moved to approve the Notice of Award for demolition to REcrete Design, for 318 S 2nd, 1030 Walnut, and 1700 N 8th, at a bid price of \$13,700. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding an appointment to the Active Transportation Advisory Board, to fill an unexpired four-year term. Discussion held.

Commissioner Moffatt moved to appoint Jared Bohannon to the Active Transportation Advisory Board to complete an unexpired four-year term, with a term ending date of December 31, 2024. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding a draft agreement with EBH Engineering, for assistance with annexations, and updates to our City boundaries. Discussion held.

Commissioner Moffatt moved to approve the scope of the Letter of Agreement with EBH Engineering, and direct Staff to prepare a completed agreement for Commission approval. Seconded by Mayor Johnson. Motion carried.

The next regular meeting of the Governing Body will be held at City Hall on Wednesday, May 24, 2023 at 2:00 p.m.

At 3:00 p.m. Commissioner Moffatt moved to adjourn. Seconded by Mayor Johnson. Motion carried.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

SPECIAL CALL FOR SPECIAL MEETING OF BOARD OF COMMISSIONERS

Neodesha, Kansas
May 19, 2023

To the Board of Commissioners:

The Board of Commissioners will hold a Special Call meeting Friday, May 19, 2023 at 12:00 noon for the following purposes:

1. Demolition Notice to Proceed: Starbuck Trucking
2. Demolition Notice to Proceed: REcrete Design
3. Commissioner Appointment

The Board of Commissioners met in a Special Call Session at 12:00 noon in the Commission Room at City Hall on Friday, May 19, 2023 with Mayor Johnson presiding and Commissioner Moffatt present.

Administrator Truelove addressed the Commission regarding a Notice to Proceed award for the demolition of the property located at 1309 N 5th Street for Starbuck Trucking.

Commissioner Moffatt moved to approve the Demolition Notice to Proceed for Starbuck Trucking as presented. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding a Notice to Proceed award for the demolition of the properties located at 318 S 2nd, 1030 Walnut and 1700 N 8th. Discussion held.

Commissioner Moffatt moved to approve the Demolition Notice to Proceed for REcrete Design as presented. Seconded by Mayor Johnson. Motion carried.

Administrator Truelove addressed the Commission regarding the appointment of a new Commissioner to fill the unexpired term of Commissioner Tom Nichol. Discussion held.

Commissioner Moffatt moved to appoint Emily Vail-Keller as Commissioner to fill the unexpired term of Tom Nichol that expires on the second Monday of January 2025, when the city official elected to that position in the November 2024 general election takes office. Seconded by Mayor Johnson. Motion carried.

At 12:18 p.m. Commissioner Moffatt moved to adjourn. Seconded by Mayor Johnson. Motion carried.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

APPROPRIATIONS REPORT

ORDINANCE NO 9	5/24/2023
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<u>VENDOR</u>	<u>REFERENCE</u>	<u>AMOUNT</u>	<u>CHECK NO</u>	<u>CHECK DATE</u>
ADVANCE INSURANCE COMPANY	JUNE PREMIUMS	555.04	72183	5/24/2023
ARLAN COMPANY INC	19 INCH STEP	208.15	72184	5/24/2023
BLESSED BLOSSOMS	SYMPATHY PLANT	40.00	72185	5/24/2023
BORDER STATES INDUSTRIES INC	ELECTRIC SUPPLIES	29,392.19	72186	5/24/2023
BOUND TREE MEDICAL LLC	MEDICAL SUPPLIES	812.50	72187	5/24/2023
C4 CONSTRUCTION & REPAIR	PRIVACY FENCE	1,000.00	72188	5/24/2023
CARTER WATERS	COLD PATCH	2,818.01	72189	5/24/2023
CJ'S THREADS	EMBROIDERY	15.50	72190	5/24/2023
JAMIE DEWITT	CIVIC CENTER DEPOSIT REFUND	200.00	72191	5/24/2023
ECX SYSTEMS LLC	BARRACUDA EMAIL SECURITY 6/23	50.00	72192	5/24/2023
FIREX, INC	EXTINGUISHER INSPECTION	1,886.36	72193	5/24/2023
G & W FOODS	SUPPLIES	81.88	72194	5/24/2023
JENNIFER HARRIS	CIVIC CENTER DEPOSIT REFUND	225.00	72195	5/24/2023
HAWKINS INC	CHEMICALS	7,895.88	72196	5/24/2023
KANSAS STATE TREASURER	LOW INTEREST LOAN PYMT NO 5	140,547.35	72197	5/24/2023
LAKELAND OFFICE SYSTEMS	APRIL COPIER MAINTENANCE	134.10	72198	5/24/2023
MEL HAMBELTON FORD	TRUCK REPAIR	4,638.83	72199	5/24/2023
MELS PRINTING	SUPPLIES	595.50	72200	5/24/2023
MID-AMERICAN RESEARCH CHEMICAL	WEED KILLER	737.40	72201	5/24/2023
MIDWEST COMPUTER SALES	IT SERVICES	129.55	72202	5/24/2023
BANK OF AMERICA	ROCK	457.42	72203	5/24/2023
NEODESHA AUTO SUPPLY	AUTO PARTS & SUPPLIES	968.05	72205	5/24/2023
NEODESHA DERRICK NEWS	YEARLY RENEWAL	40.00	72206	5/24/2023
O'REILLY AUTOMOTIVE INC	AUTO PARTS	74.43	72207	5/24/2023
PATRIOT SERVICE COMPANY	SANITATION UNITS	400.00	72208	5/24/2023
PENMAC PERSONNEL SERVICES INC	TEMPORARY PERSONNEL SVC	1,219.08	72209	5/24/2023
PRECISION CONCRETE CUTTING MW	TRIP HAZARD REMOVAL	11,371.00	72210	5/24/2023
QUILL LLC	OFFICE SUPPLIES	451.25	72211	5/24/2023
RAINBOW FIREWORKS INC	BALANCE DUE FIREWORKS DISPLAY	4,500.00	72212	5/24/2023

RODNEY M SCHLEGEL II	COMPLETION RIVERWALK PARK	72213	21,576.00	5/24/2023
SANDBAGGER GOLF & TURF	MOWER PARTS	72214	464.30	5/24/2023
SCHULTE SUPPLY INC	REED PUMP	72215	244.99	5/24/2023
SIGN DESIGN	UNIFORMS	72216	168.00	5/24/2023
STRYKER MEDICAL	POWER COT MAINTENANCE	72217	3,208.57	5/24/2023
SUNDOWNER TROPHIES	NAME PLATE	72218	25.00	5/24/2023
TASC	CLAIM CARD/ADMIN FEES	72219	497.22	5/24/2023
UNIFIRST CORPORATION	RUG & CLEANING SUPPLIES	72220	907.51	5/24/2023
WILSON COUNTY COORDINATOR	LANDFILL CHARGES	72221	4.00	5/24/2023
WILSON MEDICAL CENTER	2ND DRUG SCREEN	72222	26.00	5/24/2023
ZOLL MEDICAL CORPORATION GPO	ELECTRODES	72223	114.00	5/24/2023
US POST OFFICE	MARCH BILLING	71945	109.46	4/5/2023
CASH	EMPLOYEE BIRTHDAYS	71946	40.00	4/5/2023
SPARKLIGHT	INTERNET SERVICE	71947	175.62	4/5/2023
CITY COLLECTOR	RECONCILE CASH DRAWERS	71948	198.75	4/5/2023
BILL'S TREE SERVICE	STUMP REMOVAL	71949	1,200.00	4/5/2023
RYAN TOMS	REPLACEMENT PAYROLL CHECK	71966	1,791.85	4/28/2023
TEXAS DEPT OF PUBLIC SAFETY	DRIVING RECORD	71967	6.00	4/28/2023
US POST OFFICE	POSTAGE STAMPS	71968	107.10	4/28/2023
RURAL WATER DISTRICT NO 4	AIRPORT RURAL WATER	71969	28.60	4/28/2023
SNAP ON TOOLS	ARTICUL LIGHT W/ CHARGE BASE	71970	122.80	4/28/2023
CONSTELLATION NEWENERGY	MARCH BILLING	71971	36,466.02	4/28/2023
SOUTHERN STAR CENTRAL GP INC	MARCH BILLING	71972	45,522.46	4/28/2023
SPARKLIGHT	INTERNET SERVICE	71973	190.06	4/28/2023
VISA	TRAINING,SUPPLIES,MEMBER DUES	71974	10,498.84	4/28/2023
COFFEYVILLE COMMUNITY COLLEGE	PARAMEDIC EXAM	71975	300.00	4/28/2023
US POST OFFICE	APRIL BILLING	71976	368.18	4/28/2023

*****TOTAL*****

335,805.80

ACH ELECTRIC ENERGY STATEMENTS BILLED MAY 2023			
KMEA - SPA Hyrdro Project	April 2023 Service		3,434.75
KMEA - GRDA Power Supply Project	June 2023 Service		124,185.31
KMEA - Energy Mgmt Project No 3	April 2023 Service		87,780.95
TOTAL ACH Electric Energy Statements			215,401.01

(Published in *The Neodesha Derrick* on June 1, 2023)

ORDINANCE NO. 1782

AN ORDINANCE OF THE CITY OF NEODESHA, KANSAS AUTHORIZING THE ISSUANCE OF THE CITY'S TAXABLE GENERAL OBLIGATION BONDS, SERIES 2023-A, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$998,000, FOR THE PURPOSE OF FINANCING THE COSTS OF ACQUIRING AND CONSTRUCTING IMPROVEMENTS TO THE CITY'S WATER SYSTEM AND SEWER SYSTEM; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

WHEREAS, the governing body of the City of Neodesha, Kansas (the "City"), pursuant to Ordinance No. 1622, as amended by Ordinance No. 1704, Ordinance No. 1705, and Ordinance No. 1755, has previously (i) determined it necessary and advisable to acquire, construct, replace and install improvements to the City's water system including water line improvements, plant intake structures and improvements to the water treatment plant, together with all necessary appurtenances therefor and thereto; repair the Fall River dam; upgrade the existing Little Bear elevated storage tank; construct a new 200,000 gallon elevated water storage tank; replace existing motors with Variable Frequency Drive (VFD); and upgrade the SCADA computer system that monitors and runs the water treatment plant (the "Water Project"), (ii) determined it necessary and advisable to acquire and install sanitary sewer lines, extensions and lift stations for the City's wastewater treatment facilities (the "Sewer Project"), and (iii) declared its intention to issue general obligation bonds of the City in order to pay a portion of the costs thereof, pursuant to K.S.A. 65-162a *et seq.*, as amended and supplemented (the "Water Act") and K.S.A. 12-617 *et seq.*, as amended and supplemented (the "Sewer Act"); and

WHEREAS, the governing body of the City has authorized the payment of the costs of the Water Project and Sewer Project (collectively, the "Project") in part from (i) proceeds of the City's general obligation bonds, which general obligation bonds will evidence the obligation of the City to repay Federal Aid from the United States of America acting through Rural Development United States Department of Agriculture, its successor and assigns (the "Federal Agency") in amount not to exceed \$8,800,000 (of which the City has previously issued its General Obligation Bonds, Series 2020, in the amount of \$7,000,000), and (ii) the proceeds of an Emergency Community Water Assistance Grant made through Rural Development United States Department of Agriculture, in the amount of \$492,000; and

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

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

SECTION 1. Authorization of the Bonds. Taxable General Obligation Bonds, Series 2023-A, of the City in the total principal amount of Nine Hundred Ninety-Eight Thousand Dollars (\$998,000) (the “Bonds”) are authorized to be issued for the purpose of providing funds to pay a portion of the costs of acquiring, constructing and installing the Project described above. The Bonds shall be issued pursuant to the Water Act and Sewer Act (both as described above) in the manner and in conformance with K.S.A. 10-101 *et seq.* (the “Bond Act”).

The City shall sell and the United States of America acting through Rural Development, United States Department of Agriculture, its successor and assigns, shall purchase the Bonds for a price equal to the principal amount of the Bonds, plus accrued interest from the dated date of the Bonds to the date the Bonds are issued, if any. The Bonds shall evidence the City’s obligation to repay the Federal Aid to the Federal Agency.

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

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

SECTION 4. Designation of Paying Agent and Bond Registrar; Issuer/Agent Agreement. Pursuant to K.S.A. 10-620 *et seq.*, the governing body elects to have the provisions of the Kansas Bond Registration Law apply to the Bonds and designates and appoints the Treasurer of the State of Kansas, Topeka, Kansas, as the Bond Registrar and Paying Agent for the bonds (the “Paying Agent”). The terms, conditions and provisions under which the Paying Agent will perform its duties are set forth in an Agreement between Issuer and Agent, dated as of June 27, 2023 (the “Issuer/Agent Agreement”). The form and text of the Issuer/Agent Agreement are approved and accepted by the governing body, and all of the covenants, duties and responsibilities therein to be performed by and on behalf of the City are hereby declared to be the covenants, duties and responsibilities of the City as though fully set forth at this place. The Mayor and City Clerk are authorized to execute and deliver the Issuer/Agent Agreement for and on behalf of the City. The Issuer/Agent Agreement is incorporated in and made a part of this Ordinance as though fully set forth at this place; provided however, the inclusion of the Issuer/Agent Agreement in the publication of this Ordinance shall not be required.

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

The taxes above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the City are levied and collected, shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent. The proceeds derived from said taxes shall be deposited in the Series 2023 Principal and Interest Account as defined in the Resolution.

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

SECTION 6. Further Authority. The City and its officers, agents and employees are authorized and directed to, take such actions, expend such moneys and execute such other documents, certificates and instruments as may be necessary or desirable in order to carry out and comply with this Ordinance and to give effect to the transactions contemplated hereby, including final certificates required to be included in the official Transcript of Proceedings relating to the authorization and issuance of the Bonds, all without further action by the governing body.

SECTION 7. Severability. If any provision of this Ordinance shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatsoever.

SECTION 8. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State of Kansas.

SECTION 9. Effective Date. This Ordinance shall be in force and take effect from and after its adoption and approval and its publication one time in the City's official newspaper.

[Remainder of Page Intentionally Left Blank]

PASSED, ADOPTED AND APPROVED by the governing body of the City of Neodesha, Kansas on the 24th day of May, 2023.

CITY OF NEODESHA, KANSAS

[seal]

By _____
Devin Johnson, Mayor

ATTEST:

By _____
Stephanie Fyfe, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Neodesha, Kansas met in special session, at the usual meeting place in said City on May 24, 2023 at 2:00 p.m., with the Mayor Devin Johnson presiding, and the following members of the governing body present:

and the following members absent:

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

AN ORDINANCE OF THE CITY OF NEODESHA, KANSAS AUTHORIZING THE ISSUANCE OF THE CITY'S TAXABLE GENERAL OBLIGATION BONDS, SERIES 2023-A, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$998,000, FOR THE PURPOSE OF FINANCING THE COSTS OF ACQUIRING AND CONSTRUCTING IMPROVEMENTS TO THE CITY'S WATER SYSTEM AND SEWER SYSTEM; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

Thereupon, the Ordinance was considered and discussed, and upon the motion of _____, seconded by _____, the Ordinance was adopted by a majority vote of the governing body, it was given No. 1782 and was directed to be signed by the Mayor and attested by the City Clerk; and the City Clerk was directed to publish the Ordinance one time in the City's official newspaper as required by law and as provided therein.

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

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2023-A, IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$998,000, OF THE CITY OF NEODESHA, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 1782 OF THE CITY; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

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

Thereupon, the Resolution having been adopted by a majority vote of the members of the governing body present, it was given No. 23-09 and was directed to be signed by the Mayor and attested by the City Clerk.

CITY CLERK'S
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of Minutes of the May 24,
2023 meeting of the governing body of the City of Neodesha, Kansas.

[seal]

Stephanie Fyfe, City Clerk

RESOLUTION NO. 23-09

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2023-A, IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$998,000, OF THE CITY OF NEODESHA, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 1782 OF THE CITY; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the governing body of the City of Neodesha, Kansas (the "City") adopted Ordinance No. 1782 (the "Bond Ordinance") authorizing the issuance of the City's Taxable General Obligation Bonds, Series 2023-A (the "Bonds"); and

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

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

SECTION 1. Authority for Bonds; Security.

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

(B) The full faith, credit and resources of the City are pledged to secure the payment of the principal of and the interest on the Bonds as the same severally becomes due and payable. The governing body of the City covenants that it shall annually make provision for the payment of the principal of and the interest on the Bonds as and when the same becomes due and payable by levying and collecting the necessary ad valorem taxes upon all of the taxable tangible property located within the territorial limits of the City, in such amounts as are necessary to provide for such annual payment. When received, the proceeds derived from the aforesaid taxes shall be deposited into the Series 2023 Principal and Interest Account hereinafter created by this Resolution; provided, that if at any time the amount in the Series 2023 Principal and Interest Account shall be insufficient to make the payments of the principal of and the interest on the Bonds when required because of an untimely collection and/or receipt of said taxes, the City Clerk is authorized to transfer from the City's general funds to the Series 2023 Principal and Interest Account hereinafter created, the amount required for such payments and to then reimburse the City's general funds for such expended amounts immediately upon the collection and receipt of said taxes.

SECTION 2. Details of Bonds; Amortization Schedule; Payment of Principal and Interest. The Bonds shall be issued as one single fully registered, certificated bond, without coupons, in the original denomination of \$998,000, or may thereafter be issued in any denomination which is equal to the then outstanding principal amount of the Bonds. The Bonds shall be designated "City of Neodesha, Kansas, Taxable General Obligation Bonds, Series 2023-A", and shall be dated as of the date the Bonds are delivered (the "Dated Date"), and the principal of the Bonds shall mature in annual installments in the years and in the amounts set forth on the Amortization Schedule attached to this Resolution as **Schedule I** (the "Principal Payment Dates"). Interest shall accrue on the Bonds at the rate of 1.75% per annum (the "Rate of Interest") on the outstanding principal of the Bonds (calculated on the basis of a 365-day calendar year). Interest on the Bonds shall be payable in annual installments commencing June 27, 2024 (the "Interest Payment Dates") and continuing until the principal amount of the Bonds is fully paid or provision made for such payment.

The Amortization Schedule as shown on **Schedule I** is incorporated in this Resolution by this reference as though fully set forth here and is authorized and directed to be printed on the Bonds.

The principal of and interest on the Bonds shall be payable in lawful money of the United States of America by check or draft of the Paying Agent mailed to the owner of the Bonds (the "Owner") at its address shown on the books of the Bond Registrar (the "Registration Books") as of the fifteenth (15th) day of the month prior to a payment date (the "Record Date"), **notwithstanding the foregoing**, so long as USDA is owner of the Bonds, all payments of principal and interest on the Bonds payable on any Payment Date (hereinafter defined) shall be made by pre-authorized debit or similar banking means, or such other manner as from time to time specified by the USDA. Upon the full and final payment of all the outstanding principal of the Bonds and all interest thereon, whether at final maturity or on earlier redemption as provided by this Resolution, the Owner shall be required to surrender the Bond to the Paying Agent for cancellation as required by law.

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

SECTION 3. Redemption of Bonds.

(A) **Optional Redemption.** At the option of the City, the Bonds are subject to redemption, in whole or in part, on any date selected by the City (the "Redemption Date"), at a redemption price equal to 100% of the principal of the Bonds so redeemed plus all accrued and unpaid interest on such Principal Amount so redeemed to the Redemption Date.

(B) Redemption Upon Graduation. The City hereby acknowledges the provisions of 7 U.S.C. 1983(3) and the right and ability of the United States Government, during the time it is the Owner of the Bonds, to require redemption of the Bonds according to such provisions.

The City shall give notice of any call for redemption and payment of the Bond, pursuant to the provisions of subparagraph (A) above, to the Paying Agent at least 45 days prior to the Redemption Date; and the Paying Agent shall then give notice in writing of such call for redemption and payment to the Owner of the Bonds by United States first class mail mailed not less than 30 days before to the Redemption Date.

On or prior to the Redemption Date, the City shall deposit with the Fiscal Agent sufficient funds to pay the outstanding principal amount of the Bonds or portion thereof called for redemption and payment together with all unpaid and accrued interest thereon to the Redemption Date. Upon the deposit of said moneys, and the giving of notice in the form and manner specified in this Resolution, the principal of the Bonds called for redemption shall cease to bear interest from and after the Redemption Date. Any unredeemed principal of the Bonds shall continue to bear interest as provided herein.

SECTION 4. Designation of Paying Agent and Bond Registrar. Pursuant to K.S.A. 10-620 *et seq.*, the governing body has elected to have the provisions of the Kansas Bond Registration Law apply to the Bonds and pursuant thereto, has designated and appointed the Treasurer of the State of Kansas, Topeka, Kansas, as the Bond Registrar and Paying Agent for the bonds (the "Paying Agent" or "Bond Registrar"). The terms, conditions and provisions under which the State Treasurer will perform its duties as Bond Registrar and Paying Agent for the Bonds are set forth in an "Agreement Between Issuer and Agent", dated as of June 27, 2023 (the "Issuer/Agent Agreement") and authorized by the Bond Ordinance.

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

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

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

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

SECTION 7. Payment of Costs. The City shall pay out of the proceeds of the Bonds all costs incurred in connection with the issuance, transfer, exchange, registration, redemption and payment of the bonds except (a) the reasonable fees and expenses of replacing a Bond or Bonds which have been mutilated, stolen, lost or destroyed, or (b) any tax or other governmental charge imposed in relation to the transfer, exchange, registration, redemption or payment of the Bonds.

SECTION 8. Form of Bonds. The Bonds issued under this Resolution shall be evidenced by a printed certificate in the form required by Section 2 of this Resolution and the laws of the State of Kansas and shall contain recitals as required by the Constitution and Laws of the State of Kansas, including a recital that the Bonds are issued in the manner prescribed by the Bond Act, and pursuant to the authority of the Water Act and Sewer Act (as defined in the Bond Ordinance), for the purpose of paying the costs of acquiring the Project (as defined in the Bond Ordinance) in the City and the Amortization Schedule shall be printed thereon. The text of the approving legal opinion of Bond Counsel shall also be printed in the Bond, together with a certification of the City Clerk relating thereto, which certification shall be signed by the manual or facsimile signature of the City Clerk.

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

SECTION 9. Creation and Ratification of Accounts. Simultaneously with the issuance and delivery of the Bonds, there shall be created within the Treasury of the City, the following accounts for the Bonds:

(A) Taxable General Obligation Bonds, Series 2023-A Principal and Interest Account (the "Series 2023 Principal and Interest Account"); and

(B) Taxable General Obligation Bonds, Series 2023-A Project Fund (the "Project Fund").

SECTION 10. Sale and Delivery of Bonds; Disposition of Proceeds. The Mayor and City Clerk are authorized and directed to prepare and execute the Bonds in the form and manner specified in this resolution, including a reasonable inventory quantity of bond certificates for transfer, exchange and replacement in accordance with the provisions hereof; and when executed the Bonds shall be registered in the Office of the City Clerk and in the Office of the State Treasurer, as required by law and as hereinbefore provided. The Bonds having been sold as provided by law, they shall be delivered to United States of America, Department of Agriculture, Rural Development, 4300 Goodfellow Blvd., Bldg. 104, St. Louis, Missouri 63120-1703 (the "Original Purchaser"), upon receipt by the City of the full purchase price therefor, being par, premium, if any, and accrued interest from the Dated Date to the date of issuance and delivery.

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

(A) The amount of the proceeds representing accrued interest on the Bonds, if any, and the amount of the proceeds representing premium paid on the Bonds, if any, shall be credited (none is anticipated) to and deposited in the Series 2023 Principal and Interest Account; and any said accrued interest will be used toward the payment of the first maturing interest on the Bonds, and any said premium will be used toward the payment of the first maturing principal on the Bonds; and

(B) \$998,000 of the proceeds shall be immediately credited to and deposited in the Project Fund along with other funds available to pay costs of the Project for the direct payment or reimbursement to the City of the expenses associated with the Project, including administrative costs and expenses of the Bonds, costs of issuance, and any interim financing.

SECTION 11. Application of Money in Accounts.

(A) Principal and Interest Account. The Series 2023 Principal and Interest Account shall be administered and maintained for the purpose of depositing moneys from the issuance, sale and delivery of the Bonds which represent accrued interest and premium, if any, and for the deposit of ad valorem taxes levied to make payments of the principal of and interest on the Bonds or amounts transferred from the general funds of the City to pay principal of and interest on the Bonds on any Payment Date, and for no other purpose. All amounts paid and credited to the Series 2023 Principal and Interest Account shall be expended by the City solely for the

purpose of paying the principal of, premium, if any, and interest on the Bonds and to pay the usual and customary fees of the Paying Agent. The Series 2023 Principal and Interest Account may be created as a subaccount of the City's Bond and Interest Fund.

(B) Project Fund. The Project Fund shall be administered and maintained for the purpose of depositing moneys received in connection with the issuance, sale and delivery of the Bonds for the purpose of paying the costs associated with purchasing and acquiring the Project, as well as any applicable costs of issuance associated with the issuance of the Bonds. Amounts in the Project Fund not so applied shall be transferred to the Series 2023 Principal and Interest Account and applied to the payment of principal of and/or interest on the Bonds.

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

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

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

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

SECTION 13. Limitation on Actions by Owners; Remedies Cumulative; Delay or Omission Not Waiver. No one or more of the Owners secured hereby shall have any right in any manner whatsoever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all of the Owners. Nothing in this Resolution or in the Bonds shall affect or impair the obligations of the City to pay at the date of maturity thereof or on any prepayment date established therefor, the principal of and the interest on the Bonds to the respective Owners thereof or affect or impair the right of action of any Owners to enforce payment of the Bonds held by them, or to reduce to judgment their claim against the City for the payment of the principal amount of and the interest on the Bonds without reference to or consent of any other Owners. No remedy herein conferred upon the Owners is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute and may be exercised without regard to any other remedy however given. No delay or omission of any Owners to exercise any right or power accruing upon any default occurring

and continuing as aforesaid shall impair any such default or be construed as an acquiescence therein, and every right, power and remedy given by this Resolution to the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient. In case any proceeding taken by any Owners on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Owners, then in every such case the City and the Owners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as though no such proceedings had been taken.

SECTION 14. Amendments. The City may, without the consent of the Owners, amend or supplement the provisions of this Resolution (i) to cure any ambiguity herein or to correct or supplement any provision herein which may be inconsistent with any other provision herein or to correct errors, provided such action shall not materially adversely affect the interest of the Owners, or (ii) to grant or confer upon the Owners any additional rights, remedies, powers or security, or (iii) to more precisely identify the Project. The rights and duties of the City and the Owners and the terms and provisions of this Resolution may be modified or altered in any respect by an ordinance of the City with the consent of the Owners of not less than One Hundred Percent (100%) in principal amount of the bonds then outstanding and, so long as the Bond is held or insured by the Original Purchaser, such consent to be evidenced by an instrument or instruments executed by the Owners and the Original Purchaser and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk; provided that, the following modifications or alternations shall require the written consent of One Hundred Percent (100%) of the Owners of the then outstanding Bonds:

(A) Extending the maturity of any payment of principal or interest due upon the Bonds, or

(B) Affecting a reduction in the amount which the City is required to pay by way of principal or interest on the Bonds, or

(C) Permitting a preference or priority of any Bond or Bonds over any other Bond or Bonds, or

(D) Reducing the percentage of the principal amount of the then outstanding Bonds for which the written consent of the Owners is required for any modification or alteration of the provisions of this Resolution.

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

SECTION 15. Defeasance. When the principal of and the interest on the Bonds shall have been paid and discharged, then the requirements contained herein and all other rights granted by this Resolution shall cease and terminate. The Bonds shall be deemed to have been paid and discharged within the meaning of this Resolution if there shall have been deposited with the Paying Agent or with a bank located in the State of Kansas and having full trust powers, at or prior to the maturity or date of redemption, as the case may be, of the Bonds, in trust for and irrevocably appropriated thereto, moneys and/or Government Securities consisting of direct obligations of, or obligations payment of the principal of and interest on which are guaranteed by, the United States of America, which together with the interest to be earned on such Government Securities, will be sufficient for the payment of the principal amount of and the interest on the Bonds, to the date of maturity or redemption, as the case may be, or if default in such payment shall have accrued on such date, then to the date of the tender of such payments; provided that, if such payment and discharge is to be made on a redemption date that notice of such redemption has been duly and properly given as provided by this Resolution and that all of the other terms and provisions of this Resolution relative to the call for and the redemption and payment of the Bonds shall have been complied with. Any moneys which at any time shall be deposited with the Paying Agent or such Kansas bank by or on behalf of the City, for the purpose of paying and discharging any of the Bonds or interest thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or such Kansas bank in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys so deposited with the Paying Agent, or such Kansas bank, shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Resolution. The provisions of this Section are subject to the following proviso:

As long the Bonds or any portion thereof are owned or insured by the Original Purchaser, no provisions for the payment of the Bonds shall be made in accord with this Section unless either (i) all of the Bonds then outstanding shall be paid or provision made for their payment concurrently with the deposit of funds to pay the Bonds as required in this Section or any remaining balance of the Bonds shall be paid at the first Interest Payment Date or Principal Payment Date following the deposits described in this Section with respect to the Bonds, or (ii) consent to a partial defeasance of the Bonds is obtained from the Original Purchaser of the Bonds.

SECTION 16. Particular Covenants of the City; the Project.

(A) No Sale or Lease. As long as the Bonds or any part thereof are outstanding the City shall not sell, lease or otherwise dispose of the Project or any material part thereof. The City may, however, dispose of any property comprising a non-integral portion of the Project that has become obsolete, non-productive or otherwise unusable to the advantage of the Project.

(B) Insurance. The City covenants and agrees to carry and maintain a reasonable amount of property and liability insurance upon the Project insofar as they are of an insurable nature, the amount of such insurance being such amount as would normally be carried by a municipal corporation engaged in a similar type of business; provided that, the amounts of such insurance to be carried may be specified by the Original Purchaser as long as the Bonds are held or insured by the Original Purchaser. In the event of loss or damage to the Project, the City will,

with all reasonable dispatch, use the net proceeds of any such insurance to repair or replace the property damaged or destroyed, or, if such repair or replacement is unnecessary or impossible, then in acquiring supplemental Project or to redeem or purchase in the open market any outstanding indebtedness of the Project.

(C) Refinancing. As long as the Bonds are owned or insured by the Original Purchaser, the City agrees to refinance, in whole or in part, any Bonds currently outstanding, upon the request of the Original Purchaser, if at any time it should appear to the Original Purchaser that the City is able to and the City is, in the opinion of its Bond Counsel, authorized by law to so refinance by obtaining a loan for such purpose from a responsible cooperative or private sources at reasonable rates and terms.

(D) USDA Loan Resolution. To the extent permitted by law and as long as the Original Purchaser is the owner of the Bonds, the Bonds shall be subject to the terms of Form RUS Bulletin 1780-27 and the City's USDA Loan Resolution adopted on the date of this Resolution which is attached to this Resolution as **Exhibit A**.

(E) Audits. To the extent required by law, as long as the Original Purchaser is the Owner or insurer of the Bonds, the City shall cause audits of the City to be made at such times and in such manner as the Original Purchaser shall require as described in RUS Staff Instruction 1780-4 and in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFA Part 400.

(F) Inspection of Project. As long as the Original Purchaser is the Owner or insurer of the Bonds, the Original Purchaser shall have the right at all reasonable times to inspect the Project and all of the books, records, accounts and data relating thereto, and the City shall furnish the Original Purchaser with all information concerning the Project and the operations thereof which may reasonably be requested.

SECTION 17. Surrender and Cancellation of Bonds. Whenever any outstanding Bond shall be delivered to the Bond Registrar after payment of the principal amount of and the interest represented thereof or for replacement pursuant to this Resolution, such Bond shall be canceled and destroyed by the Bond Registrar and counterparts of a Certificate of Destruction describing such Bonds so destroyed and evidencing such destruction shall be furnished by the Bond Registrar to the City.

SECTION 18. Exemption from Securities and Exchange Commission Rule 15c2-12(b)(5). The Bonds are in minimum denominations of \$100,000 or greater and are being sold to only to the Original Purchaser, and the Original Purchaser has represented to the City that it reasonably believes that it meets the requirements of paragraph (d)(1)(i) of SEC Rule 15c2-12, therefore the Bonds are offered in a transaction exempt from the provisions of such rule pursuant to paragraph (d)(1) thereof.

SECTION 19. Other Documents. The Mayor and City Clerk are hereby empowered, authorized and directed to prepare and execute any and all supporting documents and certificates required in the issuance of the Bonds, including final certificates required to be included in the

official Transcript of Proceedings relating to the authorization and issuance of the Bonds, all without further action by the governing body.

SECTION 20. Further Authority. The City shall, and the officers, agents and employees thereof, are authorized and directed to, take such actions, expend such moneys and execute such other documents, certificates and instruments as may be necessary or desirable in order to carry out and comply with the provisions of this Resolution and to give effect to the transactions contemplated hereby.

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

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

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PASSED, ADOPTED AND APPROVED by the governing body of the City of Neodesha, Kansas on the 24th day of May, 2023.

CITY OF NEODESHA, KANSAS

[seal]

By _____
Devin Johnson, Mayor

ATTEST:

By _____
Stephanie Fyfe, City Clerk

SCHEDULE I

AMORTIZATION SCHEDULE

Date	Payment Amount	Interest Payment	Principal Payment	Outstanding Debt
06/27/2023				\$998,000.00
06/27/2024	\$34,911.00	\$17,465.00	\$ 17,446.00	\$980,554.00
06/27/2025	\$34,911.00	\$17,159.70	\$ 17,751.30	\$962,802.70
06/27/2026	\$34,911.00	\$16,849.05	\$ 18,061.95	\$944,740.75
06/27/2027	\$34,911.00	\$16,532.96	\$ 18,378.04	\$926,362.71
06/27/2028	\$34,911.00	\$16,211.35	\$ 18,699.65	\$907,663.06
06/27/2029	\$34,911.00	\$15,884.10	\$ 19,026.90	\$888,636.16
06/27/2030	\$34,911.00	\$15,551.13	\$ 19,359.87	\$869,276.29
06/27/2031	\$34,911.00	\$15,212.34	\$ 19,698.66	\$849,577.63
06/27/2032	\$34,911.00	\$14,867.61	\$ 20,043.39	\$829,534.24
06/27/2033	\$34,911.00	\$14,516.85	\$ 20,394.15	\$809,140.09
06/27/2034	\$34,911.00	\$14,159.95	\$ 20,751.05	\$788,389.04
06/27/2035	\$34,911.00	\$13,796.81	\$ 21,114.19	\$767,274.85
06/27/2036	\$34,911.00	\$13,427.31	\$ 21,483.69	\$745,791.16
06/27/2037	\$34,911.00	\$13,051.35	\$ 21,859.65	\$723,931.51
06/27/2038	\$34,911.00	\$12,668.80	\$ 22,242.20	\$701,689.31
06/27/2039	\$34,911.00	\$12,279.56	\$ 22,631.44	\$679,057.87
06/27/2040	\$34,911.00	\$11,883.51	\$ 23,027.49	\$656,030.38
06/27/2041	\$34,911.00	\$11,480.53	\$ 23,430.47	\$632,599.91
06/27/2042	\$34,911.00	\$11,070.50	\$ 23,840.50	\$608,759.41
06/27/2043	\$34,911.00	\$10,653.29	\$ 24,257.71	\$584,501.70
06/27/2044	\$34,911.00	\$10,228.78	\$ 24,682.22	\$559,819.48
06/27/2045	\$34,911.00	\$ 9,796.84	\$ 25,114.16	\$534,705.32
06/27/2046	\$34,911.00	\$ 9,357.34	\$ 25,553.66	\$509,151.66
06/27/2047	\$34,911.00	\$ 8,910.15	\$ 26,000.85	\$483,150.81
06/27/2048	\$34,911.00	\$ 8,455.14	\$ 26,455.86	\$456,694.95
06/27/2049	\$34,911.00	\$ 7,992.16	\$ 26,918.84	\$429,776.11
06/27/2050	\$34,911.00	\$ 7,521.08	\$ 27,389.92	\$402,386.19
06/27/2051	\$34,911.00	\$ 7,041.76	\$ 27,869.24	\$374,516.95
06/27/2052	\$34,911.00	\$ 6,554.05	\$ 28,356.95	\$346,160.00
06/27/2053	\$34,911.00	\$ 6,057.80	\$ 28,853.20	\$317,306.80
06/27/2054	\$34,911.00	\$ 5,552.87	\$ 29,358.13	\$287,948.67
06/27/2055	\$34,911.00	\$ 4,438.64	\$ 30,472.36	\$257,476.31
06/27/2056	\$34,911.00	\$ 4,505.84	\$ 30,405.16	\$227,071.15
06/27/2057	\$34,911.00	\$ 3,973.75	\$ 30,937.25	\$196,133.90
06/27/2058	\$34,911.00	\$ 3,432.34	\$ 31,478.66	\$164,655.24
06/27/2059	\$34,911.00	\$ 2,881.47	\$ 32,029.53	\$132,625.71
06/27/2060	\$34,911.00	\$ 2,320.95	\$ 32,590.05	\$100,035.66
06/27/2061	\$34,911.00	\$ 1,750.62	\$ 33,160.38	\$ 66,875.28

Date	Payment Amount	Interest Payment	Principal Payment	Outstanding Debt
06/27/2062	\$34,911.00	\$ 1,170.32	\$ 33,740.68	\$ 33,134.60
06/27/2063	\$33,714.46	\$ 579.86	\$ 33,134.60	\$ 0.00
			\$998,000.00	

EXHIBIT A

RUS BULLETIN 1780-27

Position 5
**USDA LOAN RESOLUTION
RESOLUTION NO. 23-08
(Public Bodies)**

APPROVED
OMB. No. 0572-0121

A RESOLUTION OF THE **City Commission**

OF THE **City of Neodesha**

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

drinking water

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the **City of Neodesha**

(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

Nine Hundred Ninety-Eight Thousand & 00 100

pursuant to the provisions of **KSA 15-101 et seq**

and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association;

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ 492,000.00

under the terms offered by the Government; that the Mayor

and City Clerk of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was:

Ycas 2

Nays 0

Absent 0

IN WITNESS WHEREOF, the City Commission of the

City of Neodesha

has duly adopted this resolution and caused it

to be recorded by the officers below in duplicate on this

May

16th

2023
day of

By

Devin Johnson

Title

Mayor


Stephanie Fyfe
Title City Clerk



CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as City Clerk of the City of Neodesha
hereby certify that the City Commission of such Association is composed of
2 members, of whom, 2 constituting a quorum, were present at a meeting thereof duly called and
held on the 16th day of May 2023; and that the foregoing resolution was adopted at such meeting
by the vote shown above, I further certify that as of May 16, 2023
the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been
rescinded or amended in any way.

Dated, this 16th day of May 2023


Stephanie Fyle
Title City Clerk

ORDINANCE NO. 1783

AN ORDINANCE AMENDING CHAPTER 6, ARTICLE I, SECTION 6-17 THROUGH SECTION 6-22 OF THE CODE OF THE CITY OF NEODESHA, DEALING WITH VICIOUS DOGS INSIDE THE CITY OF NEODESHA; AND REPEALING OLD CHAPTER 6, ARTICLE I, SECTION 6-17 THROUGH SECTION 6-22 OF THE CODE OF THE CITY OF NEODESHA.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS:

Section One: Chapter 6, Article I of the City of Neodesha Code shall be amended to read as follows:

Sec. 6-17. – Vicious dogs, definitions.

The city hereby finds that certain dogs, because of a combination of their physical attributes and disposition or training for aggression, fighting or attack, pose a clear and present threat to public safety. Although relatively few in number, such dogs represent a threat to all persons, particularly those persons who cannot protect and defend themselves, such as children and the elderly. Regardless of the procedures taken to confine such dogs, their mere presence creates an unacceptable risk to the public because such dogs may escape or be released at any time. Because of the clear and present threat to public safety, such dogs are found to be a public nuisance. As a result, the city hereby prohibits the ownership and possession of these vicious dogs within the city limits of the city and imposes related regulations, as set forth in this article.

Definitions. The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Vicious dog means:

(a) Any dog which:

- (1) Kills a human being;
- (2) Inflicts severe injury to a human being through a sustained or vicious attack;
- (3) Has been trained to fight and possess physical attributes such as size, build, or bite strength to inflict severe injury to a human being. For this purpose, the following shall be presumed to have been trained to fight:
 - (A) Any dog involved in a staged fight;
 - (B) Any dog exhibiting wounds or bodily disfigurements commonly associated with dog fighting;
 - (C) Any dog found or kept on premises at which equipment is located that is commonly associated with training dogs to fight; or
 - (D) Any dog found or kept with other dogs that:
 - (i) Have been trained to fight; or
 - (ii) Are presumed to have been trained to fight.

- (4) Because of its disposition and physical attributes, such as size, build, or bite strength, poses a substantial threat to the life and safety of public safety and emergency response personnel (such as law enforcement officers, firefighters and paramedics) who are seeking or may seek lawful access to any property in order to perform their duties; or
 - (5) Has the propensity, tendency or disposition to attack a human being without provocation and possesses physical attributes such as size, build, or bite strength to inflict severe injury to a human being.
- (b) Exceptions. No dog shall be deemed or declared a vicious dog:
- (1) Solely because it inflicted severe injury on a human being if the human being was, at the time the severe injury was sustained:
 - (A) Assaulting the owner or possessor of the dog; provided, the owner or possessor of the dog was not the aggressor;
 - (B) Committing a willful trespass upon the premises of the owner or possessor of the dog; or
 - (C) Provoking, tormenting abusing, or assaulting the dog, or can be shown to have repeatedly provoked, tormented, abused, or assaulted the dog at other times.
 - (2) Solely because it inflicted severe injury on a human being if the dog was, at the time the substantial injury was sustained:
 - (A) Responding to pain or injury;
 - (B) Protecting itself; its kennel, its offspring, or its owner or possessor's property; or
 - (C) Protecting or defending another human being within the immediate vicinity of the dog from an unjustified attack or assault.
 - (3) Is owned or possessed by a federal, state, or local law enforcement agency.

Sec. 6-18. – Vicious dogs, unlawful acts.

(a) Vicious Dogs as Public Nuisance. Vicious dogs are declared to be a public nuisance and are hereby prohibited within the city.

(b) Ownership or Possession of Vicious Dog. It is unlawful to own or possess a vicious dog in the city. An owner or possessor of a dog that falls within the definition of "vicious dog" shall be strictly liable under this article and a conviction shall not require proof of any criminal intent or the owner or possessor's knowledge of any particular propensity, tendency or disposition of the dog. Each vicious dog owned or possessed in violation of this article shall constitute a separate offense.

(c) Ownership or Possession of Dog Following Conviction. It is unlawful for any person convicted of owning or possessing a vicious dog in violation of subsection (b) of this section to own or possess any dog, whether or not found to be a vicious dog, for a period of three (3) years following the date of such conviction.

Citation. In the event that the Animal Control Officer, or law enforcement officer, has probable cause to believe an animal is vicious by written complaint of the victim and that victim is willing to testify that the animal has acted in a manner that causes it to fall within the definition of a Vicious Animal, that officer shall endeavor to issue a citation for a violation of the section.

Sec. 6-19. – Vicious dogs, removal; euthanization.

In addition to the penalties prescribed by this Chapter, upon conviction, the Municipal Court shall order that the animal be removed from the city or humanely euthanized, and direct the Animal Control Officer, law enforcement officer, Animal Shelter or its veterinary designee to ensure that the order is enforced. If the Municipal Court orders a Vicious Animal to be humanely euthanized pursuant to this Section, that decision shall be final unless the owner applies to a court of competent jurisdiction for any remedies that may be available within the applicable appeal period, or other timeframe. If an appeal is timely filed, the Municipal Court shall suspend the Euthanasia order pending the final determination of the court in which the appeal is under review. If the animal is sold or transferred out of the city, the owner shall notify the City Clerk within seven days of the sale or transfer. The City Clerk shall report the Vicious Animal determination to the city in which the animal will be kept. If the animal is ordered removed from the city, the address in which the animal will reside shall be reported to the City Clerk within seven days of the move.

Sec. 6-20. – Vicious dogs, impoundment.

- (a) Any animal impounded under a probable cause belief that it is a Vicious Animal and which in the judgment of the Animal Control Officer, or law enforcement officer, would constitute a menace to the health, safety or welfare of the public if released from custody, may be impounded pending a hearing on any charges or complaints filed in the Municipal Court to determine the disposition thereof.
- (b) Unauthorized Removal of Impounded Dogs, Actual or Attempted. No person shall remove or attempt to remove a dog from the custody of the animal control officer, law enforcement, or designee or any animal shelter at which the dog is impounded, whether by force, threat, deceit or otherwise, when such dog has been impounded under the provisions of this article or any other law, unless the animal control officer, law enforcement, or designee or a court of appropriate jurisdiction expressly authorized the release of the dog.

Sec. 6-21. – Vicious dogs, criminal penalties.

Any person who violates the provisions of this section shall be subject to the following penalties:

- (a) Violation of Vicious Dog Provisions. Any person who owns or possesses a vicious dog in violation of Section 6-18(b) shall be guilty of a misdemeanor, punishable as follows:
 - (1) First offense, a fine, which shall be set at \$500.00. The fine shall be mandatory, and the court shall have no authority to suspend the fine or any portion thereof. In addition, the court shall have the authority to sentence the defendant to confinement in the county jail for a maximum of 90 days.
 - (2) Second or subsequent offense, committed within three years of a prior offense, a fine, which shall be set at \$1,000.00. The fine shall be mandatory, and the court shall have no authority to suspend the fine or any portion thereof. In addition, the court shall have the authority to sentence the defendant to confinement in the county jail for a maximum of six months.

(b) Violation of Provisions Regarding Unauthorized Removal of Impounded Dogs. Any person who removes or attempts to remove a dog from the custody of the animal control officer, law enforcement officer, or designee, or any animal shelter at which the dog is impounded, in violation of Section 6-20(b), shall be guilty of a misdemeanor, punishable by a fine in the amount of \$1,000.00. The court shall have no authority to suspend the fine or any portion thereof. In addition, the court shall have the authority to sentence the defendant to confinement in the county jail for a maximum of six months.

(c) Violation of Other Provisions. Any person, who owns or possesses a dog in violation of Section 6-18(c) or violates any other provision of this article, shall be guilty of a misdemeanor, punishable by a fine in the amount of \$250.00. The court shall have no authority to suspend the fine or any portion thereof. In addition, the court shall have the authority to sentence the defendant to confinement in the county jail for a maximum of 30 days.

Sec. 6-22. – Vicious dogs, costs to be paid by responsible persons.

All reasonable costs incurred by the city in seizing, impounding, confining or disposing of any vicious dog pursuant to the provisions of this article shall be charged against the owner of such animal and shall be subject to collection by any lawful means. If the owner of the animal is found guilty of a violation of this article, said above-mentioned expenses shall be assessed as costs in said court action.

Section Two: Old Chapter 6, Article I, Section 6-17 through Section 6-22 of the Code of the City of Neodesha is hereby repealed.

Section Three: EFFECTIVE DATE. This ordinance shall be in full force and effect after its publication in the official city newspaper.

Passed by the Governing Body of the City of Neodesha, Kansas and signed by the Mayor this 24th day of May, 2023.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

ORDINANCE NO. 1784

AN ORDINANCE AMENDING ARTICLE III OF CHAPTER 34 OF THE CODE OF ORDINANCES OF THE CITY OF NEODESHA, KANSAS, AUTHORIZING THE OPERATION OF WORK-SITE UTILITY VEHICLES, MICRO UTILITY TRUCKS, AND GOLF CARTS ON THE STREETS WITHIN THE CORPORATE LIMITS OF THE CITY OF NEODESHA; PROHIBITING THE OPERATION OF ALL-TERRAIN VEHICLES AND POCKET BIKES; PROVIDING FOR RELATED MATTERS, INCLUDING PENALTIES FOR VIOLATION THEREOF; AND, PROVIDING FOR THE REPEAL OF ORDINANCE 1706, OLD ARTICLE III OF CHAPTER 34, AND SECTION 114.2, 114.4 AND 114.5 OF THE STANDARD TRAFFIC ORDINANCE, AS ADOPTED BY ORDINANCE NO. 1771.

Be it Ordained by the Governing Body of the City of Neodesha, Kansas:

Section 1. Article III of Chapter 34 of the Code of Ordinances of the City of Neodesha, Kansas is hereby amended to read as follows:

ARTICLE III. – OPERATION OF SPECIAL PURPOSE VEHICLES; AND PENALTIES

Section 34-40. - DEFINITIONS.

For purposes of this Ordinance, the following words and phrases shall have the meanings respectively ascribed to them:

- (a) **All-Terrain Vehicle** means any motorized non-highway vehicle 50 inches or less in width, having a dry weight of 1,500 pounds or less, traveling on three or more non-highway tires, having a seat designed to be straddled by the operator. As used in this subsection, non-highway tire means any pneumatic tire six inches or more in width, designed for use on wheels with rim diameter of 14 inches or less.
- (b) **City** means the City of Neodesha, Kansas.
- (c) **Golf Cart** means a motor vehicle that has not less than three wheels in contact with the ground, an unladen weight of not more than 1,800 pounds, is designed to be and is operated at not more than 25 miles per hour and is designed to carry not more than four persons including the driver.
- (d) **Micro-Utility Truck** means any motor vehicle which is not less than 48 inches in width, has an overall length, including the bumper, of not more than 160 inches, has an unladen weight, including fuel and fluids, of more than 1,500 pounds, can exceed 40 miles per hour as originally manufactured and is manufactured with a metal cab. Micro-utility truck does not include a work-site utility vehicle or recreational off-highway vehicle.
- (e) **Motor vehicle** means every vehicle, other than a motorized bicycle or a motorized wheelchair, which is self-propelled.
- (f) **Pocket Bike** shall be defined as every device having two tandem wheels, or three wheels, which may be propelled by a gasoline engine and which the headlights are lower than 24 inches, its tailpipe is lower than 15 inches, and no vehicle identification number is located on the vehicle nor can ownership of the vehicle be registered.
- (g) **Public Highway** means the entire width between the boundary lines of every way publicly maintained when any part thereof is open to the use of the public for purposes of vehicular travel.
- (h) **Recreational Off-Highway Vehicle** means any motor vehicle 64 inches or less in width, having a dry weight of 2,000 pounds or less, traveling on four or more non-highway tires, having a non-straddle seat and steering wheel for steering control.
- (i) **Special Purpose Vehicle** means golf carts, micro utility trucks, and work-site utility vehicles.
- (j) **Taxing Entity** means any division of local government created by or pursuant to state statute and operated for public purposes.
- (k) **Vehicle** means every device in, upon or by which any person or property is or may be transported or drawn upon a public highway, excepting electric personal assistive mobility devices or devices moved by human power or used exclusively upon stationary rails or tracks.
- (l) **Work-Site Utility Vehicle** means any motor vehicle which is not less than 48 inches in width, has an overall length, including the bumper, of not more than 135 inches, has an unladen weight, including fuel and fluids, of more than 800 pounds and is equipped with four or more low pressure tires, a steering wheel and bench or bucket-type seating allowing at least two people to sit side-by-side, and may be equipped with a bed or cargo box for hauling materials. Work-site utility vehicle does not include a micro utility truck or recreational off-highway vehicle.

Section 34-41. - OPERATION OF GOLF CARTS.

- (a) Golf carts may be operated upon the public highways, streets, roads and alleys within the corporate limits of the city; provided, however, that no golf cart may be operated upon any public highway, street, road and alley with a posted speed limit in excess of 30 miles per hour. No golf cart shall be operated on any interstate highway, federal highway or state highway; provided, however, that the provisions of this subsection shall not prohibit a golf cart from crossing a federal or state highway or a street or highway with a posted speed limit greater than 30 miles per hour.

- (b) No golf cart shall be operated on any public highway, street, road or alley between sunset and sunrise, unless equipped with:
 - 1. Lights as required for motorcycles by Sections 183 through 188 of the 2022 Standard Traffic Ordinance, and amendments thereto; and
 - 2. A properly mounted slow-moving vehicle emblem as required by K.S.A. 8-1717, and amendments thereto.
- (c) Every person operating a golf cart on the public highways, streets, roads and alleys of the city shall be subject to all of the duties applicable to a driver of a vehicle imposed by law.

Section 34-42. - OPERATION OF MICRO-UTILITY TRUCKS.

- (a) Micro utility trucks may be operated upon the public highways, streets, roads and alleys within the corporate limits of the city.
- (b) No micro utility truck shall be operated on any public highway, street, road or alley, unless such truck complies with the equipment requirements under Article 17 of chapter 8 of the Kansas Statutes Annotated, and amendments thereto. No micro utility truck shall be operated on any interstate highway, federal highway or state highway; provided, however, that the provisions of this subsection shall not prohibit a micro utility truck from crossing a federal or state highway.
- (c) Every person operating a micro utility truck on the public highways, streets, roads and alleys of the city shall be subject to all of the duties applicable to a driver of a vehicle imposed by law.

Section 34-43. - OPERATION OF WORK-SITE UTILITY VEHICLES.

- (a) Work-site utility vehicles may be operated upon the public highways, streets, roads and alleys within the corporate limits of the city.
- (b) No work-site utility vehicle shall be operated on any public highway, street, road or alley before sunrise or after sunset unless such vehicle is equipped with lights as required by law for motorcycles. No work-site utility vehicle shall be operated on any interstate highway, federal highway or state highway; provided, however, that the provisions of this subsection shall not prohibit a work-site utility vehicle from crossing a federal or state highway.
- (c) Every person operating a work-site utility vehicle on the public highways, streets, roads and alleys of the city shall be subject to all of the duties applicable to a driver of a vehicle imposed by law.

Section 34-44. – PROHIBITION OF OPERATION OF ALL-TERRAIN VEHICLES, AND POCKET BIKES.

- (a) The operation of all-terrain vehicles and pocket bikes on the streets, roads and alleys within the corporate limits of the City of Neodesha, Kansas is prohibited.

Section 34-45. – DISPLAY OF SLOW MOVING VEHICLE EMBLEM.

- (a) It shall be illegal to operate a special purpose vehicle on any public highway, street, road or alley within the corporate limits of the City unless such vehicle displays a slow moving vehicle emblem on the rear of the vehicle.
- (b) For the purpose of this section, slow moving vehicle emblem has the same meaning as contained in K.S.A. 8-1717, and amendments thereto.
- (c) The slow-moving vehicle emblem shall be mounted and displayed in compliance with K.S.A. 8-1717, and amendments thereto.

Section 34-46. – SAME; VALID DRIVER’S LICENSE REQUIRED; PENALTY.

No person shall operate a special purpose vehicle on any public highway, street, road or alley within the corporate limits of the City of Neodesha unless such person has a valid driver’s license. Violation of this section is punishable by a fine of not more than \$1,000 or by imprisonment for not more than six months or by both such fine and imprisonment.

Section 34-47. – SAME; INSURANCE REQUIRED; PENALTY.

- (a) When operated upon the public highways, streets, roads and alleys within the corporate limits of the city every owner of a special purpose vehicle shall provide liability coverage in accordance with Section 200 of the 2022 Standard Traffic Ordinance, and amendments thereto, and the Kansas Automobile Injury Reparations Act, K.S.A. 40-3101, et seq., and amendments thereto.
- (b) All provisions of Section 200 of the 2022 Standard Traffic Ordinance, and amendments thereto, or such other similar provision as the city may then have in effect, including penalty provisions, shall be applicable to all owners and operators of special purpose vehicles.

Section 34-48. – SAME; REGISTRATION AND LICENSE; FEE; APPLICATION; INSPECTION; PENALTY.

- (a) Before operating any special purpose vehicle on any public highway, street, road or alley within the corporate limits of the city and each calendar year thereafter, the vehicle shall be registered with the city and a license shall be obtained and placed on the special purpose vehicle. The license fee shall be as established in Section 16-34, payable in advance to the City Clerk, Neodesha, Kansas. The full amount of the license fee shall be required regardless of the time of year that the application is made.
- (b) Application for registration of a special purpose vehicle shall be made by the owner, or owner's agent, in the office of the Chief of Police. The application shall be made upon forms provided by the City and each application shall contain the name of the owner, the owner's residence address, or bona fide place of business, a brief description of the vehicle to be registered (including make, model and serial number, if applicable). Proof of insurance, as required in Section 34-47 shall be furnished at the time of application for registration.
- (c) Prior to the issuance of the registration and license, each applicant for special purpose vehicle license shall first present such vehicle for an official inspection. The inspection shall verify that the special purpose vehicle has sufficient brakes, and has been equipped with head lights, tail and brake lights, turn signal equipment, rear view mirror, and a slow moving vehicle sign emplaced on the rear of the vehicle.
- (d) If, upon inspection and completion of the registration application, such vehicle is found to be in safe mechanical condition, and upon establishing proof of insurance and payment of the fees herein provided, a license shall be issued to the owner who shall attach it to the vehicle. The license shall be displayed in such a manner as to be clearly visible from the rear of the vehicle. The license number on the application will be recorded and then filed in the police department.
- (e) The license issued hereunder is not transferrable. In the event of sale or other transfer of ownership of any special purpose vehicle licensed under the provisions of this section, the existing license and the right to use the numbered license shall expire, and the license shall be removed by the owner. It is unlawful for any person other than the person to whom the license was originally issued to have the same in his possession.
- (f) In the event a license is lost or destroyed, the City Clerk, upon proper showing by the licensee and the payment as established in Section 16-34, shall issue a new license in accordance with the provisions of this section.
- (g) It shall be unlawful for any person to:
 1. Operate, or for the owner thereof knowingly to permit the operation, upon a public street, road, highway, or alley within the corporate limits of the city any special purpose vehicle, as defined herein, which is not registered and which does not have attached thereto and displayed thereon the license assigned thereto by the City for the current registration year.
 2. Display, cause or permit to be displayed, or to have in possession, any registration receipt, registration license or registration decal that is fictitious or has been canceled, revoked, suspended or altered. A violation of this subsection (2) shall constitute an unclassified misdemeanor punishable by a fine of not less than \$100 and forfeiture of the item. A mandatory court appearance shall be required of any person violating this subsection.
 3. Lend to or knowingly permit the use by one not entitled thereto any registration receipt, registration license plate or registration decal issued to the person so lending or permitting the use thereof.
 4. Remove, conceal, alter, mark or deface the license number plate, plates or decals, or any other mark of identification upon any special purpose vehicle. Licenses shall be kept clean and placed as required by law so as to be plainly visible and legible.
 5. Carry or display a registered number plate or plates or registration decal upon any special purpose vehicle not lawfully issued for such vehicle.

Section 34-49. – SAME; PENALTY.

Unless specifically provided for herein, a violation of this Ordinance shall be deemed an ordinance traffic infraction. Upon an entry of a plea of guilty or no contest or upon being convicted of such violation, the penalty imposed shall be in accordance with Section 201, 2022 Standard Traffic Ordinance, and amendments thereto, or such other similar provision as the city may then have in effect.

Section 34-50. – REVOCATION OF PERMIT.

If the owner/operator of a special purpose vehicle is convicted of two (2) violations under this article in any twelve (12) month period, the permit to operate a special purpose vehicle shall be revoked for the remainder of the calendar year following the second conviction.

Section 34-51. – EXEMPTIONS.

- (a) Special purpose vehicles which are owned or leased by the City or other governmental taxing entities that are being operated for the purpose of public safety, maintaining parks, roads, right of ways or for other specific purpose as required in the performance of a job are exempt from the restrictions of Section 34-41 to 34-43, inclusive, not related to equipment or lighting.

- (b) Special purpose vehicles operated in conjunction with a public event involving closed streets (i.e., parades, carnivals, festivals, etc.) can be made exempt from the restrictions of Section 34-48 with approval from the City Commission.
- (c) In support of police and fire emergency operations, the Chief of Police shall have the authority to authorize the use of any Special Purpose Vehicles, and the Registration and Licensing requirement in Section 34-48 shall be waived.

Section 2. REPEALER. Ordinance 1706, and Section 114.2, 114.4 and 114.5 of the Standard Traffic Ordinance, as adopted by Ordinance No. 1771, and all ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. EFFECTIVE DATE. This ordinance shall be in full force and effect upon its publication in the official city newspaper.

Passed by the Governing Body of the City of Neodesha, Kansas and signed by the Mayor this 24th day of May, 2023.

Devin Johnson, Mayor

ATTEST:

Stephanie Fyfe, City Clerk

CITY OF NEODESHA

RESOLUTION NO. 23-10

NOW, on this 24th day of May, 2023, at a regular meeting of the Governing Body of the City of Neodesha, Kansas, the following Resolution was adopted.

WHEREAS, the Bank of Commerce; the Equity Bank of Neodesha; and the Community National Bank of Neodesha, Kansas, have been designated as depositories for the funds of the City of Neodesha, Kansas; and

WHEREAS, certain officers and Commissioners of the City of Neodesha, Kansas, have been designated and authorized to deposit and withdraw said funds upon checks, drafts, notes, or orders of the City of Neodesha, Kansas.

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

Section 1. That the Bank of Commerce of Neodesha, Kansas, be and it is hereby designated a depository of the City of Neodesha, Kansas, for its General Account 010111; Petty Cash Account 104361; Flexi-Vest Account 751278; Fire Insurance Proceeds Fund Account 753564; Employee Benefits Account 116912; Raw Water Project Bond Account 3001673; Emergency Equipment Reserve Fund Account 3006011; and Norman No Oil Well and Museum Account 3004025; and that the funds in said accounts so deposited may be withdrawn upon a check, draft, note, or order of the City of Neodesha, Kansas.

Section 2. That all checks, drafts, notes or orders drawn against the General Account 010111 shall be signed by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Michael Tigner	Treasurer
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas; whose signatures shall be duly certified to said Bank and that no checks, drafts, notes or order drawn against said Bank on said account shall be valid unless so signed.

Section 3. That all checks, drafts, notes or orders drawn against the Flexi-Vest Account 751278, and the Fire Insurance Proceeds Fund Account 753564 shall be signed by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas, whose signatures shall be duly certified to said Bank, and that no checks, drafts, notes or orders drawn against said Bank on said accounts shall be valid unless so signed.

Section 4. That all checks, drafts, notes or orders drawn against the Petty Cash Account 104361 shall be signed by one of the following:

<u>NAME</u>	<u>TITLE</u>
Rhonda Howell	Assistant City Clerk
Anita Buchanan	Utility Billing Supervisor

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas; whose signatures shall be duly certified to said Bank and that no checks, drafts, notes or order drawn against said Bank on said account shall be valid unless so signed.

Section 5. That all checks, drafts, notes or orders drawn against Raw Water Project Bond Account 3001673; and Norman No Oil Well and Museum Account 3004025 shall be signed by two of the following:

<u>NAME</u>	<u>TITLE</u>
Stephanie Fyfe	City Clerk
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

Section 6. That all checks, drafts, notes or orders drawn against Employee Benefits Account 116912 shall be signed or requested by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas; whose signatures shall be duly certified to said Bank and that no checks, drafts, notes or order drawn against said Bank on said account shall be valid unless so signed.

Section 7. That all checks, drafts, notes or orders drawn against the Emergency Equipment Reserve Fund Account 3006011 shall be signed by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Michael Tigner	Treasurer
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas; whose signatures shall be duly certified to said Bank and that no checks, drafts, notes or order drawn against said Bank on said account shall be valid unless so signed.

Section 8. That the signatures mentioned in Sections 2, 3, 4, 5, and 6 above shall be duly certified to said Bank of Commerce of Neodesha, Kansas; and that no checks, drafts, notes or orders drawn against said Bank shall be valid unless so signed. That said Bank is hereby authorized and directed to honor and pay any checks, drafts, notes or orders so drawn, whether such checks, drafts, notes or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes or orders, or any of such persons in their individual capacities or not, and whether such checks, drafts, notes or orders are deposited to the individual credit of the person so signing and/or countersigning said checks, drafts, notes or orders, or to the individual credit of any of the other officers or not.

Section 9. That Equity Bank of Neodesha, Kansas, be and is hereby designated a depository of the City of Neodesha for the purpose of investing idle funds in time certificates of deposit and that all checks, drafts, notes or orders shall be signed or requested by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas, whose signatures shall be duly certified to said Bank, and that no checks, drafts, notes or orders drawn against said Bank on said accounts shall be valid unless so signed.

Section 10. That the Community National Bank of Neodesha, Kansas, be and is hereby designated a depository of the City of Neodesha for the purpose of investing idle funds in time certificates of deposit and that all checks, drafts, notes or orders shall be signed or requested by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas, whose signatures shall be duly certified to said Bank, and that no checks, drafts, notes or orders drawn against said Bank on said accounts shall be valid unless so signed.

Section 11. That this Resolution shall take effect upon its adoption by the Governing Body of the City of Neodesha, Kansas.

ADOPTED AND APPROVED by the governing body of the City of Neodesha, Kansas this 24th day of May, 2023.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

CITY OF NEODESHA

RESOLUTION NO. 23-10

NOW, on this 24th day of May, 2023, at a regular meeting of the Governing Body of the City of Neodesha, Kansas, the following Resolution was adopted.

WHEREAS, the Bank of Commerce; the Equity Bank of Neodesha; and the Community National Bank of Neodesha, Kansas, have been designated as depositories for the funds of the City of Neodesha, Kansas; and

WHEREAS, certain officers and Commissioners of the City of Neodesha, Kansas, have been designated and authorized to deposit and withdraw said funds upon checks, drafts, notes, or orders of the City of Neodesha, Kansas.

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

Section 1. That the Bank of Commerce of Neodesha, Kansas, be and it is hereby designated a depository of the City of Neodesha, Kansas, for its General Account 010111; Petty Cash Account 104361; Flexi-Vest Account 751278; Fire Insurance Proceeds Fund Account 753564; Employee Benefits Account 116912; Raw Water Project Bond Account 3001673; Emergency Equipment Reserve Fund Account 3006011; and Norman No Oil Well and Museum Account 3004025; and that the funds in said accounts so deposited may be withdrawn upon a check, draft, note, or order of the City of Neodesha, Kansas.

Section 2. That all checks, drafts, notes or orders drawn against the General Account 010111 shall be signed by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Michael Tigner	Treasurer
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas; whose signatures shall be duly certified to said Bank and that no checks, drafts, notes or order drawn against said Bank on said account shall be valid unless so signed.

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<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas, whose signatures shall be duly certified to said Bank, and that no checks, drafts, notes or orders drawn against said Bank on said accounts shall be valid unless so signed.

Section 4. That all checks, drafts, notes or orders drawn against the Petty Cash Account 104361 shall be signed by one of the following:

<u>NAME</u>	<u>TITLE</u>
Rhonda Howell	Assistant City Clerk
Anita Buchanan	Utility Billing Supervisor

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas; whose signatures shall be duly certified to said Bank and that no checks, drafts, notes or order drawn against said Bank on said account shall be valid unless so signed.

Section 5. That all checks, drafts, notes or orders drawn against Raw Water Project Bond Account 3001673; and Norman No Oil Well and Museum Account 3004025 shall be signed by two of the following:

<u>NAME</u>	<u>TITLE</u>
Stephanie Fyfe	City Clerk
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

Section 6. That all checks, drafts, notes or orders drawn against Employee Benefits Account 116912 shall be signed or requested by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas; whose signatures shall be duly certified to said Bank and that no checks, drafts, notes or order drawn against said Bank on said account shall be valid unless so signed.

Section 7. That all checks, drafts, notes or orders drawn against the Emergency Equipment Reserve Fund Account 3006011 shall be signed by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Michael Tigner	Treasurer
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas; whose signatures shall be duly certified to said Bank and that no checks, drafts, notes or order drawn against said Bank on said account shall be valid unless so signed.

Section 8. That the signatures mentioned in Sections 2, 3, 4, 5, and 6 above shall be duly certified to said Bank of Commerce of Neodesha, Kansas; and that no checks, drafts, notes or orders drawn against said Bank shall be valid unless so signed. That said Bank is hereby authorized and directed to honor and pay any checks, drafts, notes or orders so drawn, whether such checks, drafts, notes or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes or orders, or any of such persons in their individual capacities or not, and whether such checks, drafts, notes or orders are deposited to the individual credit of the person so signing and/or countersigning said checks, drafts, notes or orders, or to the individual credit of any of the other officers or not.

Section 9. That Equity Bank of Neodesha, Kansas, be and is hereby designated a depository of the City of Neodesha for the purpose of investing idle funds in time certificates of deposit and that all checks, drafts, notes or orders shall be signed or requested by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas, whose signatures shall be duly certified to said Bank, and that no checks, drafts, notes or orders drawn against said Bank on said accounts shall be valid unless so signed.

Section 10. That the Community National Bank of Neodesha, Kansas, be and is hereby designated a depository of the City of Neodesha for the purpose of investing idle funds in time certificates of deposit and that all checks, drafts, notes or orders shall be signed or requested by one of the following:

<u>NAME</u>	<u>TITLE</u>
Devin Johnson	Mayor
J. D. Moffatt	Vice Mayor
Emily Vail-Keller	Commissioner
Eddy R. Truelove	City Administrator

and countersigned by Stephanie Fyfe, City Clerk of the City of Neodesha, Kansas, whose signatures shall be duly certified to said Bank, and that no checks, drafts, notes or orders drawn against said Bank on said accounts shall be valid unless so signed.

Section 11. That this Resolution shall take effect upon its adoption by the Governing Body of the City of Neodesha, Kansas.

ADOPTED AND APPROVED by the governing body of the City of Neodesha, Kansas this 24th day of May, 2023.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

KMEA - Mid-States

618 N Santa Fe
Salina, KS 67401

Phone: 785-827-3631

**INVOICE**


Invoice Number: 2528-5-23
Invoice Date: May 17, 2023
Page: 1

Bill To:

City of Neodesha
PO Box 336
Neodesha, KS 66757

Ship to:

City of Neodesha
PO Box 336
Neodesha, KS 66757

Customer ID		Customer PO	Payment Terms	
Neodesha		7792	Net 30 Days	
Sales Rep ID		Shipping Method	Ship Date	Due Date
				6/16/23
Quantity	Item	Description	Unit Price	Amount
		Project to replace the South Tie 15 kV Breaker - Final Invoice		
	Incm - Eng Labor	Engineering labor, mileage and per diem (exempt)		4,577.00
	Incm - Constr Labor	Construction labor, mileage, and per diem		7,597.50
	Incm - Material Job	breaker adapter plates, wildlife guards, 48VDC trip coil, 48VDC close coil, 48 VDC control relay, anchor bolts, conduit and fittings, lugs, fuse blocks, fuses, 4/0 bare copper wire		3,039.18
	Incm - Material Job	Siemens 15 kV Breaker		23,998.70
P.O. # 7792				
				

REMIT PAYMENT BY MAIL:
Kansas Municipal Energy Agency
6300 West 95th Street
Overland Park, KS 66212

REMIT PAYMENT BY ACH:
ABA #101000695
A/C# 9872499069
UMB Bank

Check/Credit Memo No:

Subtotal	39,212.38
Sales Tax	3,636.71
Total Invoice Amount	42,849.09
Payment/Credit Applied	
TOTAL	42,849.09

KMEA - Mid-States

618 N Santa Fe
Salina, KS 67401

Phone: 785-827-3631

**INVOICE**

Invoice Number: 2535-4-23
Invoice Date: May 12, 2023
Page: 1

Bill To:

City of Neodesha
PO Box 336
Neodesha, KS 66757

Ship to:

City of Neodesha
PO Box 336
Neodesha, KS 66757

Customer ID		Customer PO		Payment Terms	
Neodesha		7792		Net 30 Days	
Sales Rep ID		Shipping Method		Ship Date	Due Date
					6/11/23
Quantity	Item	Description	Unit Price	Amount	
380.0	Incm - Eng Labor	69 kV Breaker Failure - Final Invoice Labor for KMEA Mid-States Manager of Engineering to develop a code table, get control power back to the substation, and update drawings (exempt)		4,187.50	
	Incm - Mileage	Mileage (exempt)	1.00	380.00	
	Incm - Constr Labor	Labor for KMEA Mid-States' Manager of Maintenance and Construction Services and Field Service Technician to assist with installing a breaker from Evergy on adapter plates, plumbing and wiring the breaker, and hooking up an old 48 VDC battery charger (City owned)		8,631.50	
760.0	Incm - Mileage	Mileage 2 trucks and SUV	1.00	760.00	
	Incm - Per Diem	Per Diem		600.00	
	Incm - Material Job	Breaker adapter plates, anchor bolts, conduit and fittings, lugs, 4/0 bare copper wire, fuse block, fuses		1,410.13	

REMIT PAYMENT BY MAIL:
Kansas Municipal Energy Agency
6300 West 95th Street
Overland Park, KS 66212

REMIT PAYMENT BY ACH:
ABA #101000695
A/C# 9872499069
UMB Bank

702 816 7911

Check/Credit Memo No:

Subtotal	15,969.13
Sales Tax	1,197.17
Total Invoice Amount	17,166.30
Payment/Credit Applied	
TOTAL	17,166.30

P.O. # 7792
B6

THE CITY OF NEODESHA

P.O. BOX 336
Phone: (620) 325-2828

NEODESHA, KANSAS 66757

CHARGE TO 7911 Dist. Hardware

PURCHASE ORDER

THIS NO. MUST APPEAR ON ALL
PACKAGES, CORRESPONDENCE,
B/L'S AND INVOICES.

DATE

No. 7792

VENDOR

KMEA / MID STATES

SHIP TO

TERMS		F.O.B.	VIA	SHIP ON	
	QUANTITY	DESCRIPTION		PRICE	
		Commission approved substation repairs 69 kv breaker install 7.6 kv breaker install			

INSTRUCTIONS TO VENDOR

1. PLEASE ACKNOWLEDGE EACH ORDER PROMPTLY AND GIVE THE SHIPPING DATE.
2. FORWARD A SHIPPING NOTICE ON DATE OF SHIPMENT TO THE INVOICE ADDRESS INDICATED ABOVE.
3. INVOICE EACH ORDER SEPARATELY ON DAY OF SHIPMENT.
4. THE COMPLETE PURCHASE ORDER NUMBER, INCLUDING PREFIX AND SUFFIX, MUST BE SHOWN ON ALL INVOICES, SHIPPING PAPERS, SHIPPING CONTAINERS AND FREIGHT BILLS.
5. PREPAY ALL ALLOWED FREIGHT.

6. UNLESS OTHERWISE PROVIDED HEREIN, ANY WRITTEN ACKNOWLEDGMENT OF THIS ORDER OR THE DELIVERY OF ANY MATERIALS OR SERVICES IN ACCORDANCE WITH THIS PURCHASE SHALL CONSTITUTE ACCEPTANCE BY THE SELLER, SUBJECT TO ALL SPECIFICATIONS, TERMS AND CONDITIONS ON THE FACE OF THIS ORDER WHICH ARE MADE A PART HEREOF AND ALSO ALL ATTACHMENTS HERETO.

THE CITY OF NEODESHA

BY

BAB ERT

THE CITY OF NEODESHA

P.O. BOX 336
Phone: (620) 325-2828

NEODESHA, KANSAS 66757

CHARGE TO 7911 Dist Hardware

PURCHASE ORDER

THIS NO. MUST APPEAR ON ALL
PACKAGES, CORRESPONDENCE,
B/L'S AND INVOICES.

DATE 5/16

No. 7789

VENDOR Borden States

SHIP TO

2788 Ottawa Rd.

TERMS		F.O.B.	VIA		SHIP ON	
	QUANTITY	DESCRIPTION			PRICE	
		wildlife protections:				
	144	bushing covers @ 28.42			4092	45
	60	hot stick discs @ 53.19			3191	40
	24	bushing covers @ 85.72			2057	28
Total					10,041	73

INSTRUCTIONS TO VENDOR

w/ tax

- PLEASE ACKNOWLEDGE EACH ORDER PROMPTLY AND GIVE THE SHIPPING DATE.
- FORWARD A SHIPPING NOTICE ON DATE OF SHIPMENT TO THE INVOICE ADDRESS INDICATED ABOVE.
- INVOICE EACH ORDER SEPARATELY ON DAY OF SHIPMENT.
- THE COMPLETE PURCHASE ORDER NUMBER, INCLUDING PREFIX AND SUFFIX, MUST BE SHOWN ON ALL INVOICES, SHIPPING PAPERS, SHIPPING CONTAINERS AND FREIGHT BILLS.
- PREPAY ALL ALLOWED FREIGHT.

- UNLESS OTHERWISE PROVIDED HEREIN, ANY WRITTEN ACKNOWLEDGMENT OF THIS ORDER OR THE DELIVERY OF ANY MATERIALS OR SERVICES IN ACCORDANCE WITH THIS PURCHASE SHALL CONSTITUTE ACCEPTANCE BY THE SELLER, SUBJECT TO ALL SPECIFICATIONS, TERMS AND CONDITIONS ON THE FACE OF THIS ORDER WHICH ARE MADE A PART HEREOF AND ALSO ALL ATTACHMENTS HERETO.

THE CITY OF NEODESHA

BY

[Signature]

Second Mortgage Promissory Note

City of Neodesha, Kansas
Moderate Income Housing Grant Program

\$
Loan No.

Date:

FOR VALUE RECEIVED, the undersigned (hereinafter "**Borrower**") promises to pay to the order of the **City of Neodesha, Kansas** (hereinafter "**Note Holder**"), with offices at 1407 N 8th, Neodesha, KS 66757, the principal sum of _____ Dollars (\$_____) with interest on such amount of Principal as may be advanced from time to time, computed at the rate of Zero Percent (0%) per annum (hereinafter "Loan Rate") for so long as the Principal, or any part thereto, shall remain outstanding (hereinafter "Loan Term"), from and after this date as hereinafter provided.

1. PAYMENTS

Borrower acknowledges that Note Holder is assisting Borrower in financing the purchase of Borrower's residence from funds made available to City of Neodesha, Kansas under the Moderate Income Housing Grant Program, (hereinafter the "GRANT Program"), as described under the Moderate Income Housing Grant Program and pursuant to rules and regulations promulgated thereunder and requirements of Kansas Housing Resource Corporation (KHRC).

State Recapture (hereinafter "Recapture") provisions require that City of Neodesha, Kansas recoups all or a portion of the GRANT Program assistance to the homebuyers if the housing subsidized does not continue to be the principal residence of the family for the duration of the period of affordability. The period of affordability is based upon the total amount of GRANT funds subject to Recapture. For Note Holder, this period is Five (5) years for homebuyers assisted by the GRANT Program. The GRANT investment that is subject to Recapture is based on the amount of GRANT assistance that enabled the homebuyer to buy the dwelling unit.

Principal and accrued interest, if any, shall be due and payable upon the happening of the following grounds for Recapture:

- a **Sale.** If Borrower sells the property during the 5 year period of affordability, Note Holder shall calculate the Recapture amount using the *Reduction method*. Under this method, the terms of forgiveness shall be as follows:

20% reduction per year on the anniversary of closing. After 5 years, GRANT is fully forgiven.

- b. **Foreclosure.** If the property goes into foreclosure or Borrower deeds the property in lieu of foreclosure, Note Holder shall calculate the Recapture amount using the *Shared Net Proceeds method*. Under this method, if there are no net proceeds or the net proceeds are insufficient to repay the GRANT investment due, Note Holder will only Recapture the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than GRANT funds) and any closing costs. The net proceeds may be divided proportionally as set forth in the following mathematical formulas:

$$\text{GRANT Investment} / (\text{GRANT Investment} + \text{Homeowner investment}) = \text{GRANT Percentage}$$
$$\text{Homeowner Investment} / (\text{GRANT Investment} + \text{Homeowner investment}) = \text{Homeowner Percentage}$$

- c. **Out of Compliance.** If the Borrower is out of compliance with the program by: (1) converting the property to rental use; (2) refinancing the property without written approval by Note Holder; (3) failing to use the property as the Note Holder's principal residence for the duration of the affordability period; or (4) failing to comply with any other regulation or requirement of KHRC or the Note Holder, the remaining unforgiven balance at such time shall be immediately due and owing Note Holder without any forgiveness.

If all of the terms and conditions of the Second Mortgage (hereinafter "Mortgage") and this Note have been truly fulfilled at the end of Five (5) years from the date of this Note, the loan evidenced by this Note will be forgiven, and the Note cancelled by City of Neodesha, Kansas.

Principal and interest, if any shall be due, shall be payable at 1407 N 8th, Neodesha, KS 66757 or such other place as the Note Holder may designate in the manner described below.

If Note Holder exercises its acceleration option as described under the Mortgage, Note Holder shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is mailed, as provided in Paragraph 4 in this Note, within which Borrower must pay all sums due under this Note and secured by the Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Borrower may invoke any remedies permitted by the Mortgage without further notice or demand on the Borrower.

2. NOTE SECURED BY SECOND MORTGAGE

The indebtedness evidenced by this Note is secured by a Second Mortgage, dated _____ and reference is made to the Mortgage for rights as to acceleration of the indebtedness evidenced by this Note.

3. BORROWER'S FAILURE TO PAY AS REQUIRED

In addition to the option to accelerate set forth above, if any payment under this Note is not paid when due and remains unpaid after a date specified by a notice to Borrower, the Note Holder may proceed with any remedy available at law or in equity, including foreclosure. The date specified shall not be less than thirty (30) days from the date such notice is mailed. If suit is brought to collect this Note, the Note Holder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorneys' fees.

Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof.

4. GIVING OF NOTICES

Any notice to Borrower provided for in this Note shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address stated below, or to such other address as Borrower may designate by notice to the Note Holder. Any notice to the Note Holder shall be given by mailing such notice by certified mail, return receipt requested, to the Note Holder at the address stated in this Note, or at such other address as may have been designated by notice to Borrower.

5. RESPONSIBILITIES OF PERSONS UNDER THIS NOTE

This Note shall be the joint and several obligations of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

Borrower: Borrower:

Property Address: -,

I (WE) ACKNOWLEDGE RECEIPT OF ONE COPY OF THE SECOND MORTGAGE
PROMISSORY NOTE AT THE TIME OF ITS EXECUTION

SECOND MORTGAGE

City of Neodesha, Kansas
Moderate Income Housing Grant Program

This Second Mortgage (hereinafter referred to as "Second Mortgage") secures the payment of an indebtedness in the sum of _____ Dollars (\$_____).

THIS SECOND MORTGAGE is made dated _____ by and between (hereinafter referred to as "Mortgagor"), and the **City of Neodesha, Kansas** (hereinafter referred to as "Mortgagee"), a corporation organized and existing under the laws of Kansas, whose address is 1407 8th, Neodesha, KS 66757.

MORTGAGOR, in consideration of the indebtedness herein recited and the Second Mortgage Promissory Note (hereinafter referred to as "Note"), subject to other rights of any prior lien holder under a prior Mortgage or mortgage, for the purpose of securing the prompt repayment by Mortgagor of said indebtedness and all other sums payable hereunder and under said Note, and also for the purpose of securing the performance of and compliance with all of the terms, covenants, conditions, and warranties herein contained and contained in the Note, the Mortgagor does hereby Mortgage unto the Mortgagee, its successors and assigns the following described property located in the County of _____, State of Kansas:

(Insert Legal)

which has the address of _____, (herein "**Property Address**");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property covered by this Mortgage; and all the foregoing, together with said property are herein referred to as the "**Property**";

TO SECURE to Mortgagee the payment of the indebtedness evidenced by Mortgagor's Note dated _____, in the principal sum of Thirty Thousand and No/100 Dollars, with no interest thereon, and the payments of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Second Mortgage; and the performance of the covenants and agreements of Mortgagor herein contained.

Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed, that the Property is subject to a first Mortgage or mortgage and that Mortgagor will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed on a schedule of exceptions to coverage in any title insurance policy insuring Mortgagee's interest in the Property.

Mortgagor and Mortgagee covenant and agree as follows:

1. Payment of Principal and Interest. Mortgagor shall promptly pay when due the principal of and interest on indebtedness evidenced by the Note, prepayment and late charges as provided in the Note.

2. Application of Payments. Unless applicable law provides otherwise, all payments received by Mortgagee under the Note and Paragraph 1 hereof shall be applied by Mortgagee first in payment of interest payable on the Note, then to the principal of the Note.

3. Charges; Liens. Mortgagor shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage in accordance with the first mortgage. Mortgagor shall promptly furnish to Mortgagee receipts evidencing such payments upon request. Except for the first Mortgage or mortgage on the Property, Mortgagor shall promptly discharge any lien which has priority over this Mortgage; provided, that Mortgagor shall not be required to discharge any such lien so long as Mortgagor shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Mortgagee, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof

4. Hazard Insurance. Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, wind, and such other hazards as Mortgagee may require and in such amounts and for such periods as Mortgagee may require; provided, that Mortgagee shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to approval by Mortgagee; provided that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Mortgagee and shall include a standard mortgage clause in favor of and in a form acceptable to Mortgagee. Mortgagee shall have the right to hold the policies and renewals thereof, and Mortgagor shall promptly furnish to Mortgagee all renewal notices and all receipts of paid premiums upon request.

In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor. Unless Mortgagee and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Mortgagor. If the Property is abandoned by Mortgagor, or if Mortgagor fails to respond to Mortgagee within thirty (30) days from the date notice is mailed by Mortgagee to Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagee's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

5. Preservation and Maintenance of Property. Mortgagor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property.

6. Protection of Mortgagee's Security. If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Mortgagee at Mortgagee's option, upon notice to Mortgagor and any prior lien holder, may make such appearances, disburse such sums and take such action as is necessary to protect Mortgagee's interest, (including, but not limited to, disbursements of reasonable attorney's fees and entry upon the Property to make repairs). If the Property is abandoned by the Mortgagor, Mortgagee may enter upon the Property to secure the premises to protect Mortgagee's interest in the Property.

Any amounts disbursed by Mortgagee pursuant to this Paragraph 6, with interest thereon, shall become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree to other terms of payment, such amounts shall be payable upon notice from Mortgagee to Mortgagor requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this Paragraph 6 shall require Mortgagee to incur any expense or take any action hereunder.

7. Inspection. Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property, provided that Mortgagee shall give Mortgagor notice prior to any such inspection specifying reasonable cause therefore related to Mortgagee's interest in the Property.

8. Condemnation. Subject to the rights of any prior lien holder under a prior mortgage or Mortgage on the Property, the proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Mortgagee.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Mortgagor. In the event of a partial taking of the Property, unless Mortgagor and Mortgagee otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Mortgagor.

If the Property is abandoned by Mortgagor, or if, after notice by Mortgagee to Mortgagor that the condemner offers to make an award or settle a claim for damages, Mortgagor fails to respond to Mortgagee within thirty (30) days after the date such notice is mailed, Mortgagee is authorized to collect and apply the proceeds, at Mortgagee's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

9. Mortgagor Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Mortgagee to any successor in interest of Mortgagor shall not operate to release, in any manner, the liability of the original Mortgagor and Mortgagor's successors in interest. Mortgagee shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor and Mortgagor's successors in interest.

10. Forbearance by Mortgagee Not a Waiver. Any forbearance by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the maturity of the indebtedness secured by this Mortgage.

11. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Mortgagee and Mortgagor, subject to the provisions of Paragraph 16 hereof. All covenants and agreements of Mortgagor shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

13. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagor provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Mortgagor at the Property Address or at such other address as Mortgagor may designate by notice to Mortgagee as provided herein, and (b) any notice to Mortgagee shall be given by certified mail, return receipt requested, to Mortgagee's address stated herein or to such other address as Mortgagee may designate by notice to Mortgagor as provided herein. Any notice provided for in this

Mortgage shall be deemed to have been given to Mortgagor or Mortgagee when given in the manner designated herein.

14. Governing Law; Severability. This Mortgage shall be governed by the laws of the State of Kansas. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

15. Mortgagor's Copy. Mortgagor shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

16. Transfer of the Property or a Beneficial Interest in Mortgagor. Excluding a transfer to a prior lien holder under a prior mortgage or Mortgage, if all or any part of the Property or any interest in it is sold, foreclosed, or transferred (or if a beneficial interest in Mortgagor is sold or transferred and Mortgagor is not a natural person) without Mortgagee's prior written consent, Mortgagee may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Mortgagee if exercise is prohibited by federal law as of the date of this Security Instrument.

If Mortgagee exercises this option, Mortgagee shall give Mortgagor and the senior lien holder prior written notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is delivered or mailed within which Mortgagor must pay all sums secured by this Mortgage. If Mortgagor fails to pay these sums prior to the expiration of this period, Mortgagee may invoke any remedies permitted by this Mortgage without further notice or demand on Mortgagor.

Notwithstanding Mortgagee's right to invoke any remedies hereunder, Mortgagee agrees that it will not commence foreclosure proceedings or accept a deed in lieu of foreclosure, or exercise any other rights or remedies hereunder until it has given the senior lien holder at least sixty (60) days prior written notice and the opportunity to cure any default hereunder.

17. Acceleration; Remedies. Except as provided in Paragraph 16 hereof, upon Mortgagor's breach of any covenant or agreement of Mortgagor in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Mortgagee prior to acceleration shall mail notice to Mortgagor and to any prior lien holder as provided in Paragraph 13 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Mortgagor, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform Mortgagor of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Mortgagor to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Mortgagee at Mortgagee's option may declare all of the sums secured by this Mortgage to be immediately due and payable without demand, and may invoke the power of sale and any other remedies permitted by applicable law. Mortgagee shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided herein, including, but not limited to, reasonable attorney's fees.

The Mortgagee's right to convey the property hereunder shall be subject and subordinate to the rights of any prior lien holder under a prior mortgage or Mortgage on the Property. A default under this Mortgage shall constitute a default under the First Mortgage and Second Mortgage, entitling the senior lien holder with the right to exercise all rights and remedies under the First Mortgage and Second Mortgage.

If the Mortgagor omits or misrepresents a material fact in an application for the loan evidenced by this Mortgage or any documents executed in connection with the loan, then Mortgagee may exercise any

remedies available herein and permitted by law, including the acceleration of all payments due on the Note

18. Mortgagor's Right to Reinstate. Notwithstanding Mortgagee's acceleration of the sums secured by this Mortgage, Mortgagor shall have the right to have any proceedings begun by Mortgagee to enforce this Mortgage discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in this Mortgage or (ii) entry of a judgment enforcing this Mortgage if: (a) Mortgagor pays Mortgagee all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Mortgagor cures all breaches of any other covenants or agreements of Mortgagor contained in this Mortgage; (c) Mortgagor pays all reasonable expenses incurred by Mortgagee in enforcing the covenants and agreements of Mortgagor contained in this Mortgage and in enforcing Mortgagee's remedies as provided in Paragraph 17 hereof, including, but not limited to, reasonable attorney's fees; and (d) Mortgagor takes such action as Mortgagee may reasonably require to assure that the lien of this Mortgage, Mortgagee's interest in the Property and Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Mortgagor, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. Release. Upon payment of all sums secured by this Mortgage or the end of the five year compliance period described in Section 20, Mortgagee shall release this Mortgage. Mortgagor shall be responsible for the cost of recording said release.

20. Recapture. MIH Recapture provisions require that Mortgagee recoups all or a portion of the GRANT assistance to the homebuyers if the housing subsidized does not continue to be the principal residence of the family for the duration of the period of affordability. For Mortgagee, this period is five (5) years for homebuyers assisted by the GRANT Program. The GRANT investment that is subject to recapture is based on the amount of GRANT assistance that enabled the homebuyer to buy the dwelling unit.

a. **Sale.** If Mortgagor sells the property during the 5-year period of affordability, Mortgagee shall calculate the Recapture amount using the *Reduction method*. Under this method, the terms of forgiveness shall be as follows:

20% reduction per year on the anniversary of closing. After 5 years, GRANT is fully forgiven.

b. **Foreclosure.** If the property goes into foreclosure or Mortgagor deeds the property in lieu of foreclosure, Mortgagee shall calculate the Recapture amount using the *Shared Net Proceeds method*. Under this method, if there are no net proceeds or the net proceeds are insufficient to repay the GRANT investment due, Note Holder will only Recapture the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than GRANT funds) and any closing costs.

c. **Out of Compliance.** If the Mortgagor is out of compliance with the program by: (1) converting the property to rental use; (2) refinancing the property without written approval by Mortgagee; (3) failing to use the property as the Mortgagee's principal residence for the duration of the affordability period; or (4) failing to comply with any other requirement of the Mortgagee, the remaining unforgiven balance at such time shall be immediately due and owing Mortgagee without any forgiveness.

21. Subordination. Mortgagor and Mortgagee acknowledge and agree that the Note and this Mortgage is subject and subordinate in all respects to the lien, terms, covenants and conditions of the First Mortgage on the Property, including all sums advanced for the purpose of (i) protecting or further securing the lien of the First Mortgage, curing defaults by the Mortgagor under the First Mortgage or for any other purpose expressly permitted by the First Mortgage or (ii) constructing, renovating, preparing, or equipping the Property. The terms and provisions of the First Mortgage are paramount and controlling, and they supersede any other terms and provision hereof in conflict therewith. In the event of a foreclosure of the First Mortgage, any provision herein or any provisions in any other collateral agreement restricting the use of the Property to low or moderate income households or otherwise restricting the Mortgagor's ability to sell the Property shall have no effect on subsequent owners or purchasers of the Property. Any person, including his or her successors or assigns (other than the Mortgagor or a related entity of the Mortgagor), receiving title to the Property through a foreclosure of the First Mortgage shall receive title to the Property free and clear from such restrictions.

This shall not be construed to indicate that Mortgagee must subordinate its interest in the property to any subsequent First Mortgage that shall come into being should the Buyer determine to refinance the property. Certain restrictions have been placed on the property through the covenants detailed in Section 20, and these covenants shall remain binding unless specifically waived in writing by Mortgagee.

IN WITNESS WHEREOF, Mortgagor has executed this mortgage the day and year first above written.

USE BLUE INK

—

STATE OF KANSAS

COUNTY OF _____

On this ____ day of _____, before me personally appeared _____ to be known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that _____ executed the same for the purposes therein stated.

WITNESS, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public in and for said County and

State

Notary

My Commission expires: _____

CONTRACTOR BID SHEET

Date: 5-18-2023

Project: New Roof - W.A. Rankin Memorial Library

Contractor	Bid Amount	Comments	Proof of Liability Insurance	Proof of Workers' Compensation Insurance
Multiple Contractors				
Solid Rock-B'ville Ok.	\$180,000	Solid Rock is the highly recommended	Yes	Yes
Jon Cottin- Missouri	All are	one- they did a lot to our roof upon looking @ it & I (Lora) did not even ask them to- they wanted to help & preserve the books- as well as keeping this building safe- very nice- dependable people.		
Royal- Venderba	Close but			
Abernathy- Missouri	One another			

Staff Recommendation	Bid Amount	Comments
Solid Rock Roofing	177,650 - which may be a little more	They came 2x5- while they were here they filled cracks in Skylights & Roof- and huge hole in Roof- as well as going to do a lot more to preserve this building & want to take letters down & polish & clean them to make them pretty again - as well as
Out of Bartlesville, Ok.		

as well as going to do a lot more to preserve this building & want to take letters down & polish & clean them to make them pretty again - as well as

W.A. Rankin Memorial Library		2024 Proposed Budget	
RECEIPTS	Proposed 2024		
City Tax Fund	82,004.00		
Rankin Estate	12,660.00		
SEK Library System	10,300.00		
State Aid	700.00		
Interest & Dividends	600.00		
Misc. Lib Receipts	10,000.00		
TOTAL	116,264.00		
EXPENDITURES			
Salaries	80,004.00		
Employer's Social Security	6,350.00		
Programs	400.00		
KPERS	9,000.00		
Telephone/Cable	1,250.00		
Books	6,000.00		
Audio/Video/DVD/Microfilm	1,200.00		
Periodicals	300.00		
Postage	1,500.00		
Office/Janitor Supplies	2,300.00		
KLA Travel	350.00		
Workmen's Compensation	160.00		
Building Expenditures	1,450.00		
Utilities	6,000.00		
TOTAL	116,264.00	0.00	0.00

May 24th, 2023

City of Neodesha
Mr. Ed Truelove
1407 N. 8th
P.O. Box 336
Neodesha, KS 66757

RE: ***Letter of Agreement***
Parcel Descriptions for Annexation Resolutions

The City of Neodesha, (**OWNER**) hereby agrees to hire EBH & Associates, P.A. (**ENGINEER**) for a licensed Professional Surveyor to prepare written descriptions of land parcels the OWNER desires to annex into the city's corporate limits. It is understood that the OWNER will incorporate these written descriptions into their Resolution(s) for annexation.

Additionally, the OWNER agrees to hire the ENGINEER for a licensed Professional Surveyor to update the written description of the city's corporate limits to include the parcels for which descriptions are written as a part of this agreement, and previously annexed land that was annexed after December 2015.

ENGINEER's scope of services to write parcel descriptions for annexation resolutions include:

1. Main Street (see attached Figure 1)

Create a description of a portion of Main Street to be used for annexation into the Neodesha City Limits. We will have to determine where in the current Corporate Limits description this portion of Main Street is located in order to create the description. We will provide a simple "exhibit" sketch to go with the written description.

Fee \$1,400.00

2. North Water Plant Parcel (see attached Figure 2)

Create a description of a portion of the North Water Plant parcel to be used for annexation into the Neodesha City Limits. We will provide a simple "exhibit" sketch to go with the written description.

Fee \$1,200.00

3. Old Hospital Property (see attached Figure 3)

Create a description of the Old Hospital Property to be used for annexation into the Neodesha City Limits. We will provide a simple "exhibit" sketch to go with the written description.

Fee \$1,200.00

ENGINEER will provide the descriptions above with exhibit sketches within 60 days of a notice to proceed.

4. Corporate Limits Description

Revise the existing corporate limits description to include these proposed annexations and any other annexations that have taken place since the last corporate limits description was last updated (December 2015). We will provide this description by 22 December, 2023, assuming these additional annexations have been approved.

Fee \$3,800.00



The OWNER shall provide the ENGINEER copies of previous fully executed annexation Resolutions and Ordinances, and the most current description of the city's corporate limits.

OWNER shall pay ENGINEER for Engineering Services under this Letter of Agreement a total lump sum fee of \$7,600.00 for services as identified in paragraph 1 through 4 above. All work effort for the described services will be billed monthly. OWNER shall pay ENGINEER at monthly intervals based on the percentage of work completed.

IN WITNESS WHEREOF, OWNER and ENGINEER have signed this ***Letter of Agreement*** in duplicate. One counterpart each has been delivered to OWNER and ENGINEER.

This ***Letter of Agreement*** will be effective on the date written below.

OWNER

ENGINEER

City of Neodesha, Kansas

(Legal name)

EBH & Associates, P.A.

(Legal business name)

By: _____

By: _____

Devin Johnson

(Typed/printed)

Paul Stoner

(Typed/printed)

Mayor

(Title)

Neodesha Office Manager

(Title)

(Date)

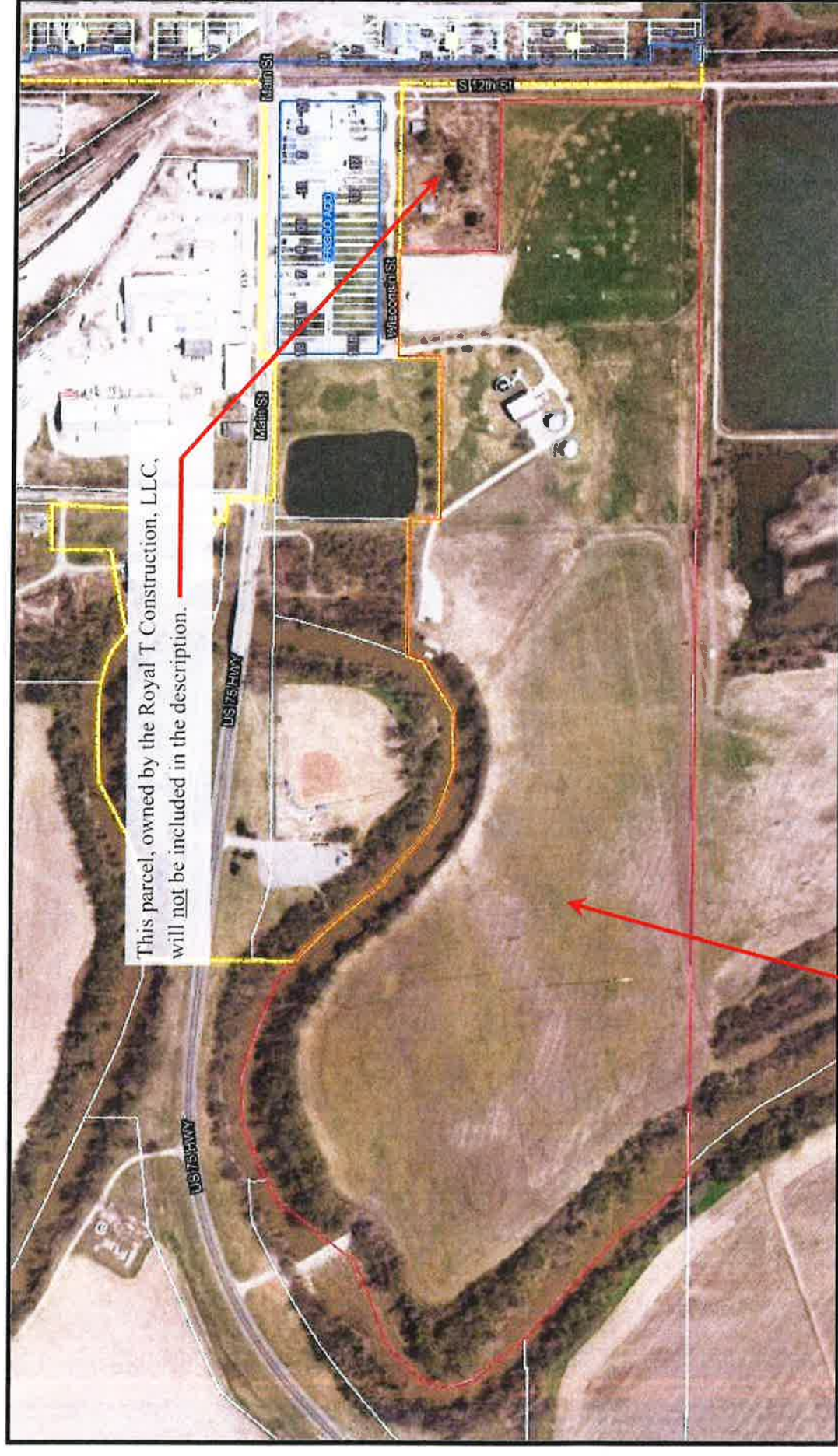
Neodesha Main Street (US HWY 75)



EBH will create a description of this portion of Main Street to be used for annexation into the Neodesha City Limits.

Figure 1

Neodesha North Water Plant Parcel



EBH will create a description of this parcel owned by the City of Neodesha to be used for annexation into the Neodesha City limits.

Figure 2

Neodesha Old Hospital Property



EBH will create a description of the old hospital property, currently owned by Ashley Cole, to be used for annexation into the Neodesha City Limits.

Figure 3

May 24, 2023

Mr. James Holtgraves
First Step Builders, L.L.C.
22316 Midland Dr.
Shawnee KS 66226

Re: Letter of Intent

Dear Mr. Holtgraves:

The purpose of this document is to formalize your request for a Letter of Intent from the City of Neodesha to provide real estate for the construction of single-family homes.

It is our belief that your project fits the overall plan and scope in that area perfectly.

With this in mind, by this letter, the City agrees to the following key terms and conditions:

1. Real Estate. Lots 907 and 911 N 8th and 902 and 904 N 9th, City of Neodesha, Wilson County, Kansas, at a cost of \$ 1,000,00_____.
2. Term. This letter will remain in effect for one hundred twenty (180) days from the last date signed by both parties.
3. Exclusivity. The City guarantees that it will not sell or lease this property to any other entity for the term of this Letter of Intent. The term may be extended by written approval from both the City of Neodesha and First Step Builders, L.L.C.
4. Approvals. The City of Neodesha retains the right to approve any construction plans or architectural renderings prior to the sale of real estate or construction of project.
5. Costs. The City and First Step Builders, L.L.C. will be responsible for and bear all their own respective costs incurred at any time in connection with the pursuit or consummation of the transactions contemplated in this letter.
6. Intent. The provisions of this letter are intended only as an expression of intent on behalf of the City and First Step Builders, L.L.C., are not intended to be legally binding on either party and are expressly subject to the execution of a mutually acceptable agreement after approval of the governing body of the City and principals of First Step Builders, L.L.C.
7. Definitive Agreement. The definitive real estate contract to be executed in accordance with the terms of this Letter of Intent will include, in addition to normal conditions precedent to closing (i) a requirement that the project will receive Kansas Housing Investor Tax Credits and (ii) that the City will receive from the State of Kansas funding from the Moderate-Income Housing/Down Payment Assistance Program. Further, the obligation of the parties under the definitive agreement will be subject to determination of the infrastructure cost and the City's willingness to pay such costs.

8. Amendment. Any modification of the terms of this Letter of Intent must be signed by the parties hereto.
9. Signing. This letter may be executed in one or more counterparts, each of which will be deemed to be an original of this letter and all of which when taken together will be deemed to constitute one and the same letter.
10. Law. The term of this Letter of Intent (and the terms of the definitive real estate contract) shall be construed under the laws of the State of Kansas.

If the terms of this letter are agreeable to you, please sign both copies and return one original to the City of Neodesha.

CITY OF NEODESHA

FIRST STEP BUILDERS, L.L.C.

Devin Johnson, Mayor

James Holtgraves, Sole Member

Date

Date

ATTEST

WITNESSED

Stephanie Fyfe, City Clerk



First Step Builders, LLC

Consulting Contract

This Consulting Contract is being entered into by First Step Builders, LLC (as "Consultant" or as "FSB"), and _____
(as "Client") this

_____ day of _____, _____.

1. Work to be Performed by Consultant:

- A. Provide assessment of housing needs within agreed upon area.
- B. Develop framework for addressing housing needs.
- C. Assist process to obtain additional benefits/resources through various agencies and programs.
- D. Work to implement a housing plan.

Compensation to Consultant:

- E. Client shall pay Consultant an initial fee of \$1000.00 for the initial completion and delivery of the assessment report referenced in Paragraph (1)(A) above. Such fee shall be payable at the time of the execution of this Agreement at which time the parties will determine and agree upon a schedule for delivery of such assessment report.
- F. In providing the additional services referenced in Paragraphs 1(B), (C) and (D) above, Consultant shall charge Client a fee computed by multiplying the number of hours of service provided by Consultant and providing the services described in Paragraphs 1(B), (C) and (D) by an hourly charge of \$100.00; provided, however, that the maximum fee payable under this Paragraph 1(F) shall not exceed \$5000.00. Consultant will prepare and deliver invoices each month while the services are being performed with each invoice to include detailed description of services provided, time spent in providing such services and an enumeration of expenses to be reimbursed. Expense reimbursements will be made by Client only if Client has approved the incurring of such expenses and Consultant provides adequate

22470 W. 199th St.
Spring Hill, KS 66083



documentation to support such expenses advance. Client agrees to remit payment of each monthly invoice within 30 days of date of receipt of such invoice.

- 2. Independent Contractor Relationship:** FSB's relationship with Client will be that of an independent contractor, and nothing in this Agreement is intended to, nor should be construed to, create a partnership, agency, joint venture, or employment relationship. No part of FSB's compensation will be subject to withholding for the payment of any social security, federal, state or any other employee payroll taxes.
- 3. Ownership of Work Product:** Client agrees that all work product developed by FSB alone or in conjunction with others in connection with the performance of services pursuant to this Agreement is and shall be the sole property of FSB and Client shall retain no ownership interest, or rights therein. Work product includes but is not limited to reports, graphics, memoranda, slogans, and taglines. However, FSB will grant to Client a perpetual, royalty-free license to utilize all work product developed specifically for Client under the terms of this Consulting Contract for which Client has made payments in accordance with the terms hereof.
- 4. Confidentiality:**
 - A. Definition of Confidential Information:** "CONFIDENTIAL INFORMATION" as used in this Agreement shall mean any and all technical and non-technical information including patent, copyright, trade secret, proprietary information, computer files, and FSB information related to the past, current, future, and proposed services of FSB and includes, without limitation, FSB information concerning customers, research, financial information, purchasing business forecasts, sales and merchandising, and market plans and information.



B. Nondisclosure and Nonuse Obligations: Client agrees to protect the confidentiality of all Confidential Information and, except as permitted in this section, Client shall neither use nor disclose the confidential information.

C. Exclusion from Nondisclosure and Nonuse Obligations: Client's obligations with respect to any portion of the Confidential Information shall not apply to any such portion that Client can demonstrate (a) was in the public domain at or subsequent to the time and such portion was communicated to FSB by Client; (b) was rightfully in Client's possession free of any obligation of confidence at or subsequent to the time such portion was communicated to FSB by Client; or (c) was developed by Client independently of and without reference to any information communicated to Client by FSB. A disclosure of Confidential Information by Client, (i) in response to a valid order by a court order or other governmental body, (ii) otherwise required by law, or (iii) necessary to establish the rights of either party under this agreement shall not be considered a breach of this Agreement or a waiver of confidentiality for other purposes, provided, however, that Client shall provide prompt written notice thereof to FSB to enable FSB to seek a protective order or otherwise prevent such disclosure.

5. General Provisions:

A. Governing Law: This Agreement shall be governed in all respects by the laws of the United States of America and by the laws of the State of Kansas. Each of the parties irrevocably consents to the exclusive personal jurisdiction of the federal and state courts located in Kansas, as applicable, for any matter arising out of or relating to this Agreement, except that in actions seeking to enforce any order or judgement of such federal and state courts located in Kansas, such personal jurisdiction shall be nonexclusive.

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Spring Hill, KS 66083



- B. Severability:** If any provision of this agreement is held by a court of law to be illegal, invalid, or unenforceable, (a) that provision shall be deemed amended to achieve as nearly as possible the same economic effect as the original provision, and (b) the legality, validity, and enforceability of the remaining provision of this Agreement shall not be affected or impaired thereby.
- C. Default:** If either party hereto breaches any of its obligations hereunder and such breach continues for a period of ten (10) business days after the non-breaching party has given to the breaching party written notice of such breach and the steps required to cure same, then the breaching party shall be deemed in default of its obligations hereunder, and the non-breaching party shall be permitted to terminate this Consulting Contract and to recover any damages suffered or incurred as a result of such breach.
- D. Nature of Consulting Payments:** All payments made to Consultant by Client shall be deemed payments for the services described in this Agreement and Client shall not withhold any federal, state or local taxes with respect to such payments. Consultant agrees to properly report to the appropriate taxing authorities all such payments received from Client and to either pay or assure that payment is made of all taxes due and owing with respect thereto.
- E. Amendment:** This Consulting Contract may be amended only by a written agreement signed by authorized representatives of both Consultant and Client.

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Spring Hill, KS 66083



FIRST STEP BUILDERS LLC

By: _____

Printed Name _____

Title: _____

CLIENT

Printed Name: _____

Title: _____