

OSAWATOMIE CITY COUNCIL
AGENDA
May 25, 2017
6:30 p.m., Memorial Hall

1. Call to order
2. Roll Call
3. Pledge of Allegiance
4. Invocation
5. Consent Agenda
 - Consent Agenda items will be acted upon by one motion unless a Council member requests an item be removed for discussion and separate action.*
 - A. August 24th Agenda
 - B. Pay Application No. 1 – 9th Street Substation – Virginia Transformer Corp. - \$28,427.60
 - C. Pay Application No. 1 – 9th Street Substation – IES Commercial, Inc. – \$25,340.47
6. Comments from the Public
 - Citizen participation will be limited to 5 minutes. Stand & be recognized by the Mayor.*
7. Presentations & Proclamations
8. Public Hearings
 - A. Hearing on Proposed 2018 Budget and 5-Year CIP
9. Unfinished Business
 - A. 2018 Budget
 - B. 5-Year Capital Improvements Program (CIP)
 - C. Resolution – Budget Appropriations for 2018
 - D. Grocery Store Equipment/Incentive – Proposed Agreements
10. New Business
 - A. Ordinance – Gaming (Paintball) Parks
 - B. Property Lease to Shoot House, LLC for Paintball Park
11. Council Report
12. Mayor’s Report
13. City Manager & Staff Reports
14. Executive Session –
15. Other Discussion/Motions
16. Adjourn

POSSIBLE SPECIAL MEETING – August 31, 2017
NEXT REGULAR MEETING –September 14, 2017



August 17, 2017

City of Osawatomie, KS
Attn: Don Cawby, City Manager
PO Box 37
Osawatomie, KS 66064

RE: Osawatomie, Kansas
12 MW Generation Capacity Improvements
JEO Project No. 141554

Dear Don:

JEO Consulting Group, Inc. (JEO) is pleased to submit this letter of recommendation for the following two items to be discussed at the next regularly scheduled City council meeting:

1. JEO received a request for payment from Virginia Transformer Corp. (VTC) for the '2016 Substation Transformer' project to be installed at the 9TH Street substation. The amount for which VTC is requesting has been completed to date and JEO recommends to approve Contractor's Application for Payment No. 1, included, in the amount of \$28,427.60. Please print out three copies and execute upon council approval. Keep one copy for your file, return one to VTC with the payment and the final copy to JEO for our records.
2. JEO received a request for payment from IES Commercial, Inc. (IES) for switchgear building stored materials on the '9TH Street Substation' project. The amounts for which IES is requesting has been verified to date and JEO recommends to approve Contractor's Application for Payment No. 1, included, in the amount of \$25,340.47. Please print out three copies and execute upon council approval. Keep one copy for your file, return one to IES with the payment and the final copy to JEO for our records.

If you have any questions and/or concerns do not hesitate to contact me at (402) 371-6416 Ext. 1114 or (402) 360-0217.

Respectfully submitted,

Matt E. Kalin, PE
Project Engineer

MEK:skw
Enclosure

Contractor's Application for Payment No. 1

Application Period:	7/14/2017	Application Date:	8/10/2017
To (Owner):	City of Osawatimie, Kansas	Via (Engineer):	JEO Consulting Group, Inc.
Project:	2015 Substation Transformer	Contractor's Project No.:	C755A
Owner's Contract No.:		Engineer's Project No.:	141554.03

Application For Payment Change Order Summary

Approved Change Orders	Number	Additions	Deductions	
	1	\$1,257.50		
TOTALS		\$1,257.50		
NET CHANGE BY CHANGE ORDERS		\$1,257.50		

1. ORIGINAL CONTRACT PRICE..... \$ **\$283,019.00**
2. Net change by Change Orders..... \$ **\$1,257.50**
3. Current Contract Price (Line 1 ± 2)..... \$ **\$284,276.50**
4. TOTAL COMPLETED AND STORED TO DATE (Column F total on Progress Estimates)..... \$ **\$28,427.60**
5. RETAINAGE:
 - a. **\$28,427.60** Work Completed..... \$
 - b. Stored Material..... \$
 - c. Total Retainage (Line 5.a + Line 5.b)..... \$
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c)..... \$ **\$28,427.60**
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... \$
8. AMOUNT DUE THIS APPLICATION..... \$ **\$28,427.60**
9. BALANCE TO FINISH, PLUS RETAINAGE (Column G total on Progress Estimates + Line 5.c above)..... \$ **\$255,848.90**

Contractor's Certification
 The undersigned Contractor certifies, to the best of its knowledge, the following:
 (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
 (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and
 (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature 	Date: 7/27/2017
---------------------------------	------------------------

Payment of: \$	\$28,427.60
(Line 8 or other - attach explanation of the other amount)	
is recommended by:	(Date) 08-17-17
(Engineer)	
Payment of: \$	\$28,427.60
(Line 8 or other - attach explanation of the other amount)	
is approved by:	_____ (Date)
(Owner)	
Approved by:	_____ (Date)
Funding or Financing Entity (if applicable)	



VIRGINIA TRANSFORMER CORP.

220 Glade View Drive, N.E. • Roanoke, Virginia 24012

Tel. (540) 345-9892 • Fax (540) 342-7694

INVOICE NO.

50849

Page 1

"The Commitment Company"

SHIP TO:

CITY OF OSAWATOMIE, KS
 CITY OF OSAWATOMIE
 201 9TH STREET
 OSAWATOMIE, KS 66064

S
O
L
D

T
O

10677
 CITY OF OSAWATOMIE
 439 MAIN ST.
 OSAWATOMIE, KS 66064
 USA

DATE: 07/14/17

PAYMENT TERMS	FREIGHT TERMS
PROGRESS PAYMENTS	PREPAID & ALLOW

POWER EQUIPMENT SALES CO #57

SALES ORDER NO.	ORDERED BY	ORDER DATE	CUSTOMER P.O. NO.	FOB
C755		02-15-17	CONTRACT	DELIVERED AT T

ITEM NO.	SERIAL NO.	DESCRIPTION	QTY. ORDER	QTY. SHIP	UNIT PRICE	TOTAL COST
C755A	467500A086	LIQUID 7500 / 8400 / 9375 / 10500 10.00% At Ready To Ship			28,427.60	28,427.60
		Total for Line Items			28,427.60	
		Invoice Total (USD)				28,427.60

INVOICE

THIS INVOICE CONTAINS THE ONLY TERMS AND CONDITIONS, WITH RESPECT TO THE SALE OF THE ABOVE DESCRIBED GOODS, TO WHICH THE SELLER AGREED PER OUR CONFIRMATION OF ORDER. THE COMPANY RESERVES THE RIGHT TO REFUSE TO FULFILL ALL OF OUR OBLIGATIONS IF THE PAYMENT IS NOT RECEIVED PER OUR TERMS OF SALE.

Thermal Design

Attn: Accounting Dept.
 601 N. Main
 PO Box 468
 Madison, NE 68748

Phone: (402) 454-6591 Fax: (402) 454-6530

INVOICE

Invoice Number: 17373290

Invoice Date: Jul 31, 2017

Page 1

Bill To:
WEIGEL CONSTRUCTION INC 19935 W 161ST ST OLATHE, KS 66062-2747

Ship to:
WEIGEL CONSTRUCTION INC CITY OF OSAWATOMIE 2016 9TH STREET OSAWATOMIE, KS 66064 KS

Customer ID	Customer PO	Payment Terms	
WEICON		Net 30 Days	
Customer Balance	Shipping Method	Ship Date	Due Date
3,544.61	fedex	7/26/17	8/30/17

Quantity	Description	Unit Price	Amount
1.00	SIMPLE SAVER SYSTEM AS PER QUOTE	3,149.61	3,149.61
1,088.00	R-30 SIMPLE SAVER ROOF SYSTEM		
1,698.00	R-25 SIMPLE SAVER WALL SYSTEM		
2.00	FAST-R WALL INSULATION HANGERS		
7.00	QUIK STOP TRASH FREE TAPE		
1.00	FREIGHT	395.00	395.00

Subtotal	3,544.61
Sales Tax	319.02
Total Invoice Amount	3,544.61
Payment/Credit Applied	
TOTAL	3,544.61

Please Remit To: Thermal Design Inc. PO Box 468, Madison, NE 68748

\$3,863.63

Overdue invoices are subject to late charges.



Star Building Systems
 8600 S I 35 SERVICE RD
 OKLAHOMA CITY, OK 73149-3100
 PHONE: 405-636-2010
 FAX: 405-636-2419

REMIT TO:
 STAR BUILDING SYSTEMS
 PO Box 841127
 DALLAS, TX 75284-1127

A Division of Robertson-Ceco II Corporation

INVOICE #		15B80475-02	
ORDER#	15B80475	OS SUBSTATION	CONTROL# 207053 DATE 18-JUL-2017
CUST#	53349	PO#	CURRENCY: USD PAGE 1 of 1

BILL TO: WEIGEL CONSTRUCTION INC
 19935 W 161ST ST
 OLATHE, KS 66062-2733

SHIP TO: WEIGEL CONSTRUCTION INC
 CITY OF OSAWATOMIE
 2016 9TH STREET
 OSAWATOMIE, KS 66064

TERMS : 30 NET

SHIPDATE: 16-JUL-2017

F.O.B. :

CONTACT:

SHIP VIA: BEST

FRT TERMS:

Description	Qty	Unit Price	Extended Amount
Current Contract Amount through Revision # 2 *(Includes quoted freight. Tax and additional freight may be applicable)			\$21,677.98*
0101 BUILDING: BUILDING			\$14,591.95
0101 SPEC2 DOOR WALK: PA & KD DOORS			\$1,552.00
0101 FREIGHT: FREIGHT			\$1,281.96
0101 WARR1 OTHER WARRA: WEATHERTIGHTNESS WARRANTY, STANDARD I, 20 YEAR			\$1,000.00
0101 WARR6 WARRANTY 5: FOR ROOF COATING, FOR MATERIAL,			\$750.00
0102 SPEC13 MBCI BUYOU: PHASE Q TO CONSIST OF 24 GAUGE, 16" SUPERLOK ROOF PANELS AND RELATED ITEMS.			\$2,164.67

17009

Tax Exempt#	Sub Total:	\$21,340.58
	Tax:	\$1,920.66
	Down Payment:	\$0.00
	Total Due this Invoice:	\$23,261.24

PLEASE RETURN A COPY OF THE INVOICE WITH REMITTANCE. INTEREST AT THE RATE OF 1.5% PER MONTH (18% A.P.R.) OR THE MAXIMUM ALLOWED BY STATE LAW WILL BE ADDED ON ANY BALANCE NOT PAID WITHIN 30 DAYS AND EACH SUCCESSIVE 30 DAY PERIOD THE INVOICE REMAINS UPDAID. DO NOT DEDUCT ANY BACKCHARGES OR OFFSETS. ALL OFFSETS AND BACKCHARGES ARE TO BE INVOICED TO OUR FIELD SERVICE DEPARTMENT. DISCOUNTS ARE ONLY APPLICABLE TO MATERIAL.



Star Building Systems

8600 S I 35 SERVICE RD
OKLAHOMA CITY, OK 73149-3100
PHONE: 405-636-2010
FAX: 405-636-2419

REMIT TO:
STAR BUILDING SYSTEMS
PO Box 841127
DALLAS, TX 75284-1127

A Division of Robertson-Ceco II Corporation

Table with invoice details: INVOICE # 15B80475-01, ORDER# 15B80475, OS SUBSTATION, CONTROL# 204807, DATE 15-MAY-2017, CUST# 53349, PO#, CURRENCY: USD, PAGE 1 of 1

BILL TO: WEIGEL CONSTRUCTION INC
19935 W 161ST ST
OLATHE, KS 66062-2733

SHIP TO: WEIGEL CONSTRUCTION INC
CITY OF OSAWATOMIE
201 9TH STREET
OSAWATOMIE, KS 66064

TERMS : 30 NET

SHIPDATE: 08-MAY-2017

F.O.B. :

CONTACT:

SHIP VIA: BEST

FRT TERMS:

Table with columns: Description, Qty, Unit Price, Extended Amount. Row 1: Current Contract Amount through Revision # 0, \$20,704.00*

0203 BUILDING:
PROGRESS BILLING

\$337.40

Handwritten: 17009

Handwritten: 6-07-17 #10884

Summary table: Tax Exempt#, Sub Total: \$337.40, Tax: \$30.37, Down Payment: \$0.00, Total Due this Invoice: \$367.77

PLEASE RETURN A COPY OF THE INVOICE WITH REMITTANCE. INTEREST AT THE RATE OF 1.5% PER MONTH (18% A.P.R.) OR THE MAXIMUM ALLOWED BY STATE LAW WILL BE ADDED ON ANY BALANCE NOT PAID WITHIN 30 DAYS AND EACH SUCCESSIVE 30 DAY PERIOD THE INVOICE REMAINS UNPAID. DO NOT DEDUCT ANY BACKCHARGES OR OFFSETS. ALL OFFSETS AND BACKCHARGES ARE TO BE INVOICED TO OUR FIELD SERVICE DEPARTMENT. DISCOUNTS ARE ONLY APPLICABLE TO MATERIAL.

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: August 24, 2017

AGENDA ITEM: 2018 Proposed Budget

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: Attached is the memo from the July 27, 2017 Council Meeting when the City Manager's proposed 2018 Budget, along with the revised 2017 Budget was presented. There have been no changes made to the recommended budget, from the budget that was proposed and subsequently published on August 2, 2017.

The **Five-Year Capital Improvements Program (CIP)** budget includes the continuation of a major capital improvement projects for 2017 & 2018 – Reconstruction of Main Street from 7th to 12th Streets; the continuation of the Electric Generation project; and repairs to the City Auditorium façade and renovation of the City Hall. Other major capital projects budgeted for 2017 and 2018, but dependent on identifying funding and securing funding, include:

- Phase II of the Sewer Plant project (UV and Optimization)
- West Sewer Lift Station
- Replacement of Fire Truck
- Library Improvements (CDBG Dependent)

COUNCIL ACTION NEEDED:

1. Conduct the public hearing and take comments
2. Vote on the 2018 Recommended Budget as presented
3. Vote on the 2018-2022 CIP Budget
4. Vote on the budget appropriation resolution for 2018

STAFF RECOMMENDATION TO COUNCIL: Approve by motions and resolutions necessary to approve the 2018 Proposed Budget and 2018-2022 CIP Budget.

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: July 27, 2017

AGENDA ITEM: 2018 Recommended Budget

PRESENTER: Don Cawby, City Manager

BUDGET SUMMARY: Attached is the City Manager's proposed 2018 Budget, along with the revised 2017 Budget, for the City of Osawatomie.

Current Year. The 2017 revised budget reflects \$16,977,903 in total expenditures from all funds. It is an increase of \$2.7 million increase over the 2017 approved budget, almost all a result of: (1) carryover in the CIP Electric project and (2) assigning final budget estimates to Phase II of the Main Street project. For budgeted (a.k.a. limited funds), estimated expenditures actually decrease by \$885,804 from the approved budget of \$12,439,512. While limited funds expenditures decreased by approximately \$885,000, revenues only fell by approximately \$180,000.

Budget Year. The 2018 proposed budget expenditures total \$15,509,948 from all funds. This is a \$1.4 million reduction in expenditures from the current year revised budget. Again, the change in expenditures from all funds is largely impacted by the Electric Generation Project winding down and the Phase II project being converted from temporary notes to permanent notes. For limited funds, proposed expenditures are \$12,536,144, and increase of \$982,436 million from the revised 2017 budget. The majority of that increase (\$793,897) is reflected in cash reserves holdings, which are required in most of the limited funds to meet state budget law ending balances. The remainder of the increase, \$188,539 is a 1.6% increase for all limited expenditures, all of which occurs in utility funds. Property tax funds show a total decrease of \$10,685 in expenditures.

The proposed budget has estimated revenues at \$15.2 million, and increase of \$1.3 million over the revised 2017 budget. Of that total, \$973,694 is a result of non-limited capital improvement funds. For limited funds, revenues increase by 336,000 over 2017, The largest gains in revenue are from: (1) a proposed rate increase for the Electric Fund—\$100,000; (2) estimated sales of excess electric capacity—\$50,000; a proposed rate increase for the Water Fund—\$80,000; and

a 1.7 mil levy increase for the Bond and Interest Fund for the first step of a total 4.5 mil increase for Phase II Main Street bonds.

SELECTED FUNDS

General Fund. The General Fund has a modest increase in 2018 expenses when factoring out cash reserves (\$63,000), with small increases in the general administration, police department and property and maintenance programs. The police department includes a part-time secretary in the coming year. The administration reflects a fully staffed City Hall for a full year, which was not the case for the past 2-3 years. Properties and Maintenance reflects full funding of our mowing crews and a larger mower replacement for 2018. The General Fund again includes \$30,000 for building demolition, \$10,000 to finish the comprehensive plan, and \$20,000 to upgrade finance software.

General fund revenues are expected to increase by approximately \$19,000. This is a result of shifting 1.3 mils (\$30,000) of property tax from Employee Benefits to the General Fund and minor changes in all other funding sources for 2018. Sales Taxes are held flat or below previous years with the unknown impact of the grocery store closure and addition of 3 new/expanded businesses. For 2018, we show revenue from the COPS grant moving to USD 367 to provide full payment and with the savings in insurance in both years by moving to MPR, there will be no dividend payment from EMC.

Water Fund. The proposed 2018 Water Fund budget has an increase in total expense budget by \$19,000, but when factoring out the cash reserves of \$30,000, the budget is actually a decrease of \$11,000 for 2018. That reduction is in large part a result of the P&L insurance savings through moving to MPR. However, the budget also includes a \$80,000 rate increase for 2018 which is hopefully the last step to structurally balance the fund after taking on additional debt payment of \$70,000 for the 2015-16 Main Street water line project.

Electric Fund. After factoring out \$100,000 in cash reserves, the proposed Electric Fund budget for 2018 is an increase of \$156,000 in 2018. That increase is primarily in 2 areas: (1) \$100,000 for purchased electric costs and (2) additional capital outlay for beginning conversion of the electric system (if funds allow).

Employee Benefits. The proposed Employee Benefit Fund budget is projected to remain in balance, with an ending balance around \$158,000, even though the mil levy was lowered by 1.75 mils for 2018, offsetting other property tax increases in other funds. Moves to control health care expenses for 2017 carry over into 2018 to allow for this structural balance to remain intact.

Sewer Fund. Proposed Sewer Fund expenditures for 2018 are an increase of \$118,000 (when factoring out cash reserves). This increase reflects planned increases in debt service payments (\$50,000) and the replace of the decanter arm drive at the sewer plant (\$50,000) should it need to be replaced before Phase II of the plant upgrade project starts. The budget also includes the purchase of a vacuum trailer that will be split with the water department (\$20,000). Although balances are low, no rate increases are expected at this time, as debt payments will drop by more than \$100,000 from 2019 to 2020.

Golf Course Fund. The 2018 golf course budget will seek to maintain similar expenses and see a modest increase in revenues due to increased greens fees and member fees. The golf course is hoping the continued maintenance and improvement on the course will lead to the continued steady growth in revenues it has experienced in the past 2 years.

OTHER GENERAL ISSUES

New Fire Truck. The proposed budget has no funds allocated for a new, or “new to us” fire truck. The plan of this budget is that 2019 will include either a mil levy rate increase or be supplanted by a possible sales tax referendum that will occur before finalizing the budget in 2019. Between now and then, if funds are needed to purchase a truck, it will be done through temporary notes or a lease-purchase with a delayed payment date.

Salary Increases. The proposed budget has no funds allocated for 2018 salary increases. Because of some budget uncertainties surrounding sales taxes, property taxes and current year operating expenditures, funds were not directly appropriated for this purpose. However, some cost scenario increases are show in the budget tables to provide some guidance for the impact salary increase that we may consider at the end of 2017 or the beginning of 2018.

Rate Increases. As mentioned in the Water and Electric Fund overviews, proposed rate increases are proposed for both. In order to be in place for a full year of operations, the rate increases should probably be considered and approved by late November.

COUNCIL ACTION NEEDED: **(1)** Review the proposed budget and approve by motion any adjustments to the proposed budget. **(2)** Set a hearing for August 24 (regular meeting) to take public comment and adopt the proposed budget (See copy of official notice). **NOTE:** Once the hearing has been set, they mill levy may not be increased, only reduced. The notice will be placed in the newspaper on August 2, 2017.

STAFF RECOMMENDATION TO COUNCIL: Approve by motion any adjustments to the proposed budget and then set the hearing date.

CERTIFICATE

To the Clerk of Miami County, State of Kansas

We, the undersigned, officers of

City of Osawatomic

- certify that: (1) the hearing mentioned in the attached publication was held;
 (2) after the Budget Hearing this budget was duly approved and adopted as the maximum expenditures for the various funds for the year 2018; and
 (3) the Amounts(s) of 2017 Ad Valorem Tax are within statutory limitations.

		2018 Adopted Budget		
		Budget Authority	Amount of 2017	County
		for Expenditures	Ad Valorem	Clerk's
			Tax	Use Only
Table of Contents:		Page		
		No.		
Computation to Determine Limit for 2018		2		
Allocation of MVT, RVT, 16/20M Veh Tax		3		
Schedule of Transfers		4		
Statement of Indebtedness		5		
Statement of Lease-Purchases		6		
Computation to Determine State Library Grant		7		
Fund	K.S.A.			
General	12-101a	8	2,673,263	658,115
Debt Service	10-113	9	971,280	354,509
Library	12-1220	10	150,000	
Industrial	12-1617h	11	109,480	2,240
Employee Benefits	12-16,102	12	872,458	506,058
Public Safety Equipment	12-110b	13	63,300	19,876
Recreation	12-1927	14	1,000	
Recreation Employee Benefit	12-16,102	15	500	
Street Improvements (Spec. Hwy)		16	187,500	
Refuse		16	431,500	
Special Revenue 911		17	9,897	
Tourism		17	76,320	
Special Parks & Recreation		18	37,290	
Electric Reserve Debt Service		18	445,725	
Water		19	1,037,805	
Electric		20	4,141,431	
Sewer		21	1,025,141	
Golf Course		22	302,253	
Non-Budgeted Funds-A		23		
Non-Budgeted Funds-B		24		
Non-Budgeted Funds-C		25		
Totals		xxxxxx	12,536,143	1,540,799
Election Required - Review HB2088 Template.				County Clerk's Use Only
Budget Summary		26		
Neighborhood Revitalization Rebate				Nov 1, 2017 Total Assessed Valuation

Assisted by: _____

Address: _____

Email: _____

Attest: _____, 2017

County Clerk

Governing Body

City of Osawatomie

2018

Computation to Determine Limit for 2018

	Amount of Levy
1. Total tax levy amount in 2017 budget	+ \$ <u>1,494,115</u>
2. Debt service levy in 2017 budget	- \$ <u>311,284</u>
3. Tax levy excluding debt service	\$ <u>1,182,831</u>

2017 Valuation Information for Valuation Adjustments

4. New improvements for 2017:	+ <u>89,160</u>	
5. Increase in personal property for 2017:		
5a. Personal property 2017	+ <u>189,146</u>	
5b. Personal property 2016	- <u>233,695</u>	
5c. Increase in personal property (5a minus 5b)	+ <u> </u>	
		(Use Only if > 0)
6. Valuation of annexed territory for 2017		
6a. Real estate	+ <u>0</u>	
6b. State assessed	+ <u>0</u>	
6c. New improvements	- <u>0</u>	
6d. Total adjustment (sum of 6a, 6b, and 6c)	+ <u>0</u>	
7. Valuation of property that has changed in use during 2017		<u>3,929</u>
8. Total valuation adjustment (sum of 4, 5c, 6d & 7)		<u>93,089</u>
9. Total estimated valuation July 1, 2017	<u>22,361,437</u>	
10. Total valuation less valuation adjustment (9 minus 8)		<u>22,268,348</u>
11. Factor for increase (8 divided by 10)		<u>0.00418</u>
12. Amount of increase (11 times 3)		+ \$ <u>4,945</u>
13. 2018 budget tax levy, excluding debt service, prior to CPI adjustment (3 plus 12)		\$ <u>1,187,776</u>
14. Debt service levy in this 2018 budget		<u>354,509</u>
15. 2018 budget tax levy, including debt service, prior to CPI adjustment (13 plus 14)		<u>1,542,285</u>
16. Consumer Price Index for all urban consumers for calendar year 2016		<u>1.4%</u>
17. Consumer Price Index adjustment (3 times 16)		\$ <u>16,560</u>
18. Maximum levy for budget year 2018, including debt service, not requiring 'notice of vote publication' or adoption of a resolution prior to adoption of the budget (15 plus 17)		\$ <u>1,558,845</u>

If the 2018 adopted budget includes a total property tax levy exceeding the dollar amount in line 18 you must, prior to adoption of such budget, adopt a resolution authorizing such levy and, subsequent to adoption of such budget, publish notice of vote by the governing body to adopt such budget in the official county newspaper and attach a copy of the published notice to this budget.

In no event will such resolution or published notice of the vote be required if the total budget year tax levy is \$1,000 or less.

Allocation of MV, RV, 16/20M, Commercial Vehicle, and Watercraft Tax Estimates

Budgeted Fund for 2017	Ad Valorem Levy Tax Year 2016	Allocation for Year 2018				
		MVT	RVT	16/20M Veh	Comm Veh	Watercraft
General	619,897	62,798	953	361	982	319
Debt Service (Bond & Ir	311,284	31,535	479	182	493	160
Library						
Industrial	2,202	223	3	1	3	1
Employee Benefits	538,682	54,571	828	314	853	276
Public Safety Equipment	22,050	2,234	34	13	35	11
Recreation						
Recreation Employee Be						
TOTAL	1,494,115	151,361	2,297	871	2,366	767

County Treas Motor Vehicle Estimate	<u>151,361</u>					
County Treas Recreational Vehicle Estimate		<u>2,297</u>				
County Treas 16/20M Vehicle Estimate			<u>871</u>			
County Treas Commercial Vehicle Tax Estimate				<u>2,366</u>		
County Treas Watercraft Tax Estimate					<u>767</u>	

Motor Vehicle Factor	<u>0.10130</u>					
Recreational Vehicle Factor		<u>0.00154</u>				
16/20M Vehicle Factor			<u>0.00058</u>			
Commercial Vehicle Factor				<u>0.00158</u>		
Watercraft Factor					<u>0.00051</u>	

Schedule of Transfers

Expenditure Fund Transferred From:	Receipt Fund Transferred To:	Actual Amount for 2016	Current Amount for 2017	Proposed Amount for 2018	Transfers Authorized by Statute
Water	General	41,000	42,000	45,000	K.S.A. 12-825d
Water	Employee Benefit Fund	-	-	-	KSA 12-16,102
Water	G.O. Bond & Interest	59,827	126,000	127,500	K.S.A. 13-1270
Electric	General	155,000	183,000	183,000	K.S.A. 12-825d
Electric	Employee Benefit Fund				KSA 12-16,102
Electric	Special Parks & Rec	35,000	20,000	20,000	K.S.A. 12-825d
Electric	Golf Course	70,000	70,000	70,000	K.S.A. 12-825d
Electric	Tourism	10,000	10,000	10,000	K.S.A. 12-825d
Electric	CIP - General	140,000	130,000	130,000	K.S.A. 12-1,118
Electric	Public Safety Equipmen	40,000	60,000	40,000	K.S.A. 12-825d
Electric	CIP - Electric Bonds	95,763	-	-	K.S.A. 12-1,118
Electric	Electric Debt Reserve	339,394	435,725	435,725	K.S.A. 12-1,117
Employee Benefit	Cafeteria 125/HRA	20,000	25,000	25,000	KSA 12-16,102
Recreation	Special Parks & Rec	224	-	1,000	K.S.A. 79-2958
Rural Fire	Water	4,000	-	-	K.S.A. 12-825d
Rural Fire	Sewer	8,000	-	-	K.S.A. 12-825d
Sewer	General	40,000	40,000	42,000	K.S.A. 12-825d
Sewer	Employee Benefit Fund				KSA 12-16,102
Sewer	G.O. Bond & Interest				K.S.A. 13-1270
Sewer	CIP Sewer				K.S.A. 12-1,118
Recreation Emp Ben	Employee Benefit Fund	28	-	500	K.S.A. 79-2958
Golf Course	Industrial Fund		10,920	5,460	K.S.A. 12-825d
CIP - Streets	Street Improvement	53,662	-	-	K.S.A. 12-1,118
CIP - Water	CIP - Streets	264,219	-	-	K.S.A. 12-1,118
	Totals	1,376,117	1,152,645	1,135,185	
	Adjustments				
	Adjusted Totals	1,376,117	1,152,645	1,135,185	

*Note: Adjustments are required only if the transfer is being made in 2017 and/or 2018 from a non-budgeted fund.

STATEMENT OF INDEBTEDNESS

Type of Debt	Date of Issue	Date of Retirement	Interest Rate %	Amount Issued	Beginning Amount Outstanding Jan 1, 2017	Date Due		Amount Due 2017		Amount Due 2018	
						Interest	Principal	Interest	Principal	Interest	Principal
General Obligation:											
2012 G.O. Refunding Bonds	5/8/2012	9/1/2027	2.0-3.0	2,810,000	1,270,000	3/1 & 9/1	9/1	28,400	260,000	23,200	270,000
2016A G.O. Bonds	5/19/2016	9/1/2045	2.0 - 4.0	8,145,000	8,145,000	3/1 & 9/1	9/1	310,669	200,000	238,080	290,000
Total G.O. Bonds					9,415,000			339,069	460,000	261,280	560,000
Revenue Bonds:											
2015-A Electric Revenue Bonds	12/14/2015	9/1/2035	3.50	6,095,000	5,960,000	3/1 & 9/1	9/1	208,600	225,000	200,725	235,000
Total Revenue Bonds					5,960,000			208,600	225,000	200,725	235,000
Other:											
2013 WWTP Rev Loan	11/20/2013	9/1/2029	2.83	1,273,000	1,266,954	3/1 & 9/1	9/1	35,825	4,175	35,353	54,647
Total Other					1,266,954			35,825	4,175	35,353	54,647
Total Indebtedness					16,641,954			583,494	689,175	497,358	849,647

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget General	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	422,152	427,561	290,563
Receipts:			
Ad Valorem Tax	525,789	573,979	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax	22,938	32,000	17,000
Motor Vehicle Tax	58,858	58,250	62,798
Recreational Vehicle Tax	0	977	953
16/20M Vehicle Tax	819	340	361
Commercial Vehicle Tax	969	676	982
Watercraft Tax			319
Special Assessments	1,350	0	0
Local Alcoholic Liquor	3,008	3,225	3,000
City Sales Tax	248,858	248,000	245,000
County Sales Tax	342,092	345,000	345,000
Compensating Use Tax - City	53,323	62,000	57,000
Compensating Use Tax - County	64,215	62,000	60,000
Grants	108,434	70,990	21,000
Franchise Fees	107,416	107,500	115,000
Licenses & Permits	23,672	21,405	18,640
Charges for Services	44,108	54,500	53,500
Fines and Fees	124,809	139,000	132,000
Transfer In from Electric	155,000	183,000	183,000
Transfer In from Sewer	40,000	40,000	42,000
Transfer In from Water	41,000	42,000	45,000
Overhead Fees	379,327	347,144	360,281
Sale of Fixed Assets	14,901	0	0
Reimbursed Expense	5,865	12,000	72,000
Interest on Idle Funds	11,632	11,750	12,000
Neighborhood Revitalization Rebate			0
Miscellaneous	21,579	27,400	6,500
Does miscellaneous exceed 10% Total Rec			
Total Receipts	2,399,962	2,443,136	1,853,334
Resources Available:	2,822,113	2,870,697	2,143,897

City of Osawatomie

FUND PAGE - GENERAL

Adopted Budget General	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Resources Available:	2,822,113	2,870,697	2,143,897
Expenditures:			
Administration	494,668	541,405	563,929
Code Enforcement	123,682	153,955	158,731
Police	876,382	912,482	924,787
John Brown Cabin	35,519	37,727	37,826
Streets & Alleys	173,088	199,927	207,964
Properties and Maintenance	283,045	312,364	332,982
Fire	65,913	79,313	82,664
Municipal Court	169,963	172,633	172,248
Levee & Stormwater	34,816	25,289	17,545
Library	137,476	145,039	144,587
Subtotal detail (Should agree with detail)	2,394,552	2,580,134	2,643,263
Cash Forward (2018 column)			30,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	2,394,552	2,580,134	2,673,263
Unencumbered Cash Balance Dec 31	427,561	290,563	xxxxxxxxxxxxxxxxxxxx
2016/2017/2018 Budget Authority Amount	2,609,737	2,638,308	2,673,263
		Non-Appropriated Balance	80,000
		Total Expenditure/Non-Appr Balance	2,753,263
		Tax Required	609,366
	Delinquent Comp Rate: 8.0%		48,749
	Amount of 2017 Ad Valorem Tax		658,115

City of Osawatomie

2018

Adopted Budget General Fund - Detail Page 1	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Expenditures:			
Administration			
Salaries	361,841	360,426	372,061
Contractual	106,720	130,329	137,220
Commodities	13,647	17,750	18,248
Capital Outlay	6,240	27,000	30,000
Other Expenses	6,220	5,900	6,400
Total	494,668	541,405	563,929
Code Enforcement			
Salaries	91,169	84,686	86,302
Contractual	26,055	58,369	63,129
Commodities	6,358	7,400	7,800
Capital Outlay	100	3,500	1,500
Total	123,682	153,955	158,731
Police			
Salaries	769,054	788,832	813,017
Contractual	60,902	78,650	65,326
Commodities	42,963	42,200	43,944
Capital Outlay	3,463	2,800	2,500
Total	876,382	912,482	924,787
John Brown Cabin			
Salaries	28,672	28,693	28,276
Contractual	6,649	8,334	8,350
Commodities	198	200	200
Capital Outlay	0	500	1,000
Total	35,519	37,727	37,826
Streets & Alleys			
Salaries	92,747	127,352	131,940
Contractual	33,808	26,350	23,624
Commodities	43,315	40,400	46,400
Capital Outlay	3,218	5,825	6,000
Total	173,088	199,927	207,964
Page 1 - Total	1,703,339	1,845,496	1,893,237

City of Osawatomie

2018

Adopted Budget General Fund - Detail Page 2	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Expenditures:			
Properties and Maintenance			
Salaries	182,628	213,081	222,260
Contractual	33,889	44,883	44,822
Commodities	41,602	38,400	42,900
Capital Outlay	24,926	16,000	23,000
Total	283,045	312,364	332,982
Fire			
Salaries	34,325	49,088	49,088
Contractual	14,178	19,025	17,626
Commodities	16,582	10,650	15,450
Capital Outlay	828	550	500
Total	65,913	79,313	82,664
Municipal Court			
Salaries	41,394	51,120	49,651
Contractual	121,893	118,363	119,447
Commodities	4,974	1,650	1,650
Capital Outlay	1,702	1,500	1,500
Total	169,963	172,633	172,248
Levee & Stormwater			
Contractual	4,470	4,152	2,908
Commodities	4,183	4,000	4,000
Capital Outlay	26,163	17,137	10,637
Total	34,816	25,289	17,545
Library			
Salaries	91,648	96,488	96,948
Contractual	20,178	22,251	21,289
Commodities	17,780	23,800	23,850
Capital Outlay	7,870	2,500	2,500
Total	137,476	145,039	144,587
Page 2 -Total	691,213	734,638	750,026
Page 1 -Total	1,703,339	1,845,496	1,893,237
Grand Total	2,394,552	2,580,134	2,643,263

(Note: Should agree with general sub-totals.)

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget	Prior Year	Current Year	Proposed Budget
Debt Service	Actual for 2016	Estimate for 2017	Year for 2018
Unencumbered Cash Balance Jan 1	156,241	202,542	184,574
Receipts:			
Ad Valorem Tax	260,649	288,226	XXXXXXXXXXXXXXXXXXXX
Delinquent Tax	10,732	15,000	10,808
Motor Vehicle Tax	27,617	28,410	31,535
Recreational Vehicle Tax	385	461	479
16/20M Vehicle Tax	458	504	182
Commercial Vehicle Tax			493
Watercraft Tax			160
Transfer In from Sewer	434,300	322,500	322,300
Transfer In from Water	59,827	126,000	127,500
Reimbursed Expense	51,847		
Interest on Idle Funds			
Neighborhood Revitalization Rebate			0
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	845,815	781,101	493,457
Resources Available:	1,002,056	983,643	678,031
Expenditures:			
Bond Principal	480,000	460,000	560,000
Bond Interest	271,014	339,069	261,280
Bond Issuance Expenses	48,500		
Cash Basis Reserve (2018 column)			150,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	799,514	799,069	971,280
Unencumbered Cash Balance Dec 31	202,542	184,574	XXXXXXXXXXXXXXXXXXXX
2016/2017/2018 Budget Authority Amount	887,020	939,069	971,280
		Non-Appropriated Balance	35,000
		Total Expenditure/Non-Appr Balance	1,006,280
		Tax Required	328,249
	Delinquent Comp Rate: 8.0%		26,260
	Amount of 2017 Ad Valorem Tax		354,509

City of Osawatomie

2018

Adopted Budget Library	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	106,247	108,330	142,330
Receipts:			
Ad Valorem Tax		0	XXXXXXXXXXXXXXXXXXXX
Delinquent Tax			
Grant Receipts (Non CDBG)	12,116	9,000	9,000
Donations	3,068	32,000	2,000
Interest on Idle Funds	241	0	0
Interest on Idle Funds			
Neighborhood Revitalization Rebate			0
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	15,425	41,000	11,000
Resources Available:	121,672	149,330	153,330
Expenditures:			
Contractual Services	2,959	2,000	2,000
Commodities	10,383	5,000	8,000
Capital Improvements			140,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	13,342	7,000	150,000
Unencumbered Cash Balance Dec 31	108,330	142,330	XXXXXXXXXXXXXXXXXXXX
2016/2017/2018 Budget Authority Amount	111,000	114,000	150,000
		Non-Appropriated Balance	3,330
		Total Expenditure/Non-Appr Balance	153,330
		Tax Required	0
	Delinquent Comp Rate:	8.0%	0
	Amount of 2017 Ad Valorem Tax		0

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget Industrial	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	60,641	70,913	77,635
Receipts:			
Ad Valorem Tax		2,039	XXXXXXXXXXXXXXXXXXXX
Delinquent Tax			
Motor Vehicle Tax			223
Recreational Vehicle Tax			3
16/20M Vehicle Tax			1
Commercial Vehicle Tax			3
Watercraft Tax			1
Land Lease	15,260	15,260	15,000
Reimbursed Expense	0	10,920	5,460
Lease Payment for Building	11,000	12,000	12,000
Grants		44,641	
Interest on Idle Funds			
Neighborhood Revitalization Rebate			0
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	26,260	84,860	32,691
Resources Available:	86,901	155,773	110,326
Expenditures:			
Insurance	1,260	997	480
Professional Services	1,500	44,641	5,000
Printing and Advertising	310	500	2,000
Other Contractual Services	2,918	10,000	5,000
Other Commodities		10,000	10,000
Lease Payments to the State	10,000	12,000	12,000
Cash Forward (2018 column)			75,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	15,988	78,138	109,480
Unencumbered Cash Balance Dec 31	70,913	77,635	XXXXXXXXXXXXXXXXXXXX
2016/2017/2018 Budget Authority Amount	61,500	105,000	109,480
		Non-Appropriated Balance	2,920
		Total Expenditure/Non-Appr Balance	112,400
		Tax Required	2,074
	Delinquent Comp Rate: 8.0%		166
	Amount of 2017 Ad Valorem Tax		2,240

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget	Prior Year	Current Year	Proposed Budget
Employee Benefits	Actual for 2016	Estimate for 2017	Year for 2018
Unencumbered Cash Balance Jan 1	69,806	83,707	157,568
Receipts:			
Ad Valorem Tax	530,554	498,780	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax	21,630	32,000	17,457
Motor Vehicle Tax	55,957	57,825	54,571
Recreational Vehicle Tax	773	938	828
16/20M Vehicle Tax	901	1,026	314
Commercial Vehicle Tax			853
Watercraft Tax			276
Reimb Health Ins - Water	43,978	39,983	39,968
Reimb Health Ins - Elec	54,695	65,821	68,194
Reimb Health Ins - Sewer	12,679	18,086	18,037
Reimb Overhead Ben - Water		20,843	23,131
Reimb Overhead Ben - Elec	30,379	39,213	37,904
Reimb Overhead Ben - Sewer		20,019	22,285
Transfer from Rec Emp Ben Fund	28	0	500
Reimbursed Expenses	1,061	18,390	0
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	752,635	812,924	284,318
Resources Available:	822,441	896,630	441,885
Expenditures:			
FICA	130,576	148,231	152,151
KPERS	150,831	151,139	157,205
Health Insurance	373,967	322,580	323,367
Dental Insurance		25,210	26,372
Vision Insurance		5,042	5,374
Life Insurance		3,000	3,000
Workers' Compensation	60,038	55,373	56,409
Unemployment Insurance	2,112	3,488	3,580
Insurance	321		
Reimbursement to 125/HRA	20,000	25,000	25,000
Penalties & Interest	355		
Cash Forward (2018 column)			120,000
Miscellaneous	534		
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	738,734	739,063	872,458
Unencumbered Cash Balance Dec 31	83,707	157,568	xxxxxxxxxxxxxxxxxxxx
2016/2017/2018 Budget Authority Amount	759,921	825,610	872,458
	Non-Appropriated Balance		38,000
	Total Expenditure/Non-Appr Balance		910,458
	Tax Required		468,572
Delinquent Comp Rate:	8.0%		37,486
Amount of 2017 Ad Valorem Tax			506,058

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget Public Safety Equipment	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	3,673	15,083	3,865
Receipts:			
Ad Valorem Tax		20,417	xxxxxxxxxxxxxxxxxxx
Delinquent Tax			204
Motor Vehicle Tax			2,234
Recreational Vehicle Tax			34
16/20M Vehicle Tax			13
Commercial Vehicle Tax			35
Watercraft Tax			11
Grants	104,154	21,468	
Reimbursed Expense	2,950		
Transfer In - From Electric Fund	40,000	60,000	40,000
Transfer In - From Rural Fire Fund	2,482		
Miscellaneous	3,960	3,960	
Does miscellaneous exceed 10% Total Rec			
Total Receipts	153,546	105,845	42,531
Resources Available:	157,219	120,928	46,396
Expenditures:			
Police			
Commodities	18,304	4,000	3,000
Vehicles		40,759	20,000
Other Capital Outlay	17,809	15,800	10,000
Fire			
Truck Rental	4,200	2,100	0
Commodities	101,823	11,436	9,800
Vehicles		14,000	
Other Capital Outlay		18,968	8,500
Cash Forward (2018 column)			12,000
Miscellaneous		10,000	
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	142,136	117,063	63,300
Unencumbered Cash Balance Dec 31	15,083	3,865	xxxxxxxxxxxxxxxxxxx
2016/2017/2018 Budget Authority Amount	165,000	64,800	63,300
		Non-Appropriated Balance	1,500
		Total Expenditure/Non-Appr Balance	64,800
		Tax Required	18,404
Delinquent Comp Rate:	8.0%		1,472
	Amount of 2017 Ad Valorem Tax		19,876

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget	Prior Year	Current Year	Proposed Budget
Recreation	Actual for 2016	Estimate for 2017	Year for 2018
Unencumbered Cash Balance Jan 1	0	0	0
Receipts:			
Ad Valorem Tax	1	0	XXXXXXXXXXXXXXXXXXXX
Delinquent Tax	223	0	1,000
Motor Vehicle Tax			
Recreational Vehicle Tax			
16/20M Vehicle Tax			
Commercial Vehicle Tax			
Watercraft Tax			
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	224	0	1,000
Resources Available:	224	0	1,000
Expenditures:			
Transfer Balance to Parks & Rec Fund	224	0	1,000
Cash Forward (2018 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	224	0	1,000
Unencumbered Cash Balance Dec 31	0	0	XXXXXXXXXXXXXXXXXXXX
2016/2017/2018 Budget Authority Amount	4,000	2,000	1,000
		Non-Appropriated Balance	0
		Total Expenditure/Non-Appr Balance	1,000
		Tax Required	0
	Delinquent Comp Rate:	8.0%	0
		Amount of 2017 Ad Valorem Tax	0

Adopted Budget	Prior Year	Current Year	Proposed Budget
Recreation Employee Benefit	Actual for 2016	Estimate for 2017	Year for 2018
Unencumbered Cash Balance Jan 1	0	0	0
Receipts:			
Ad Valorem Tax	0	0	xxxxxxxxxxxxxxxxxxxxxx
Delinquent Tax	28	0	500
Motor Vehicle Tax			
Recreational Vehicle Tax			
16/20M Vehicle Tax			
Commercial Vehicle Tax			
Watercraft Tax			
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	28	0	500
Resources Available:	28	0	500
Expenditures:			
Transfer Balance to EBF	28	0	500
Cash Forward (2018 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	28	0	500
Unencumbered Cash Balance Dec 31	0	0	xxxxxxxxxxxxxxxxxxxxxx
2016/2017/2018 Budget Authority Amount	1,000	1,000	500
		Non-Appropriated Balance	0
		Total Expenditure/Non-Appr Balance	500
		Tax Required	0
	Delinquent Comp Rate:	8.0%	0
		Amount of 2017 Ad Valorem Tax	0

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget Street Improvements (Spec. Hwy)	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	111,837	148,184	126,304
Receipts:			
State of Kansas Gas Tax	114,791	115,000	115,000
County Transfers Gas	5,100	5,100	5,100
Reimb from CIP-Streets	47,400		
Reimbursed Expenses	6,262		
Interest on Idle Funds			
Miscellaneous	234		
Does miscellaneous exceed 10% Total Rec			
Total Receipts	173,786	120,100	120,100
Resources Available:	285,623	268,284	246,404
Expenditures:			
Contractual Services	3,192	0	5,500
Street Materials	42,650	60,000	60,000
Equipment	49,165	26,980	7,000
Chip/Seal	0	0	0
Other Capital Outlay	42,432	55,000	65,000
Cash Forward (2018 column)			50,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	137,439	141,980	187,500
Unencumbered Cash Balance Dec 31	148,184	126,304	58,904
2016/2017/2018 Budget Authority Amount	179,980	0	187,500

See Tab C

Adopted Budget

Refuse	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	4,942	7,760	7,260
Receipts:			
Sales/Charges	403,459	430,000	430,000
Interest on Idle Funds			
Miscellaneous	360	500	500
Does miscellaneous exceed 10% Total Rec			
Total Receipts	403,819	430,500	430,500
Resources Available:	408,761	438,260	437,760
Expenditures:			
Communications	800	1,000	1,500
Sanitation Services Contract	400,201	430,000	430,000
Cash Forward (2018 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	401,001	431,000	431,500
Unencumbered Cash Balance Dec 31	7,760	7,260	6,260
2016/2017/2018 Budget Authority Amount	431,500	431,500	431,500

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Special Revenue 911			
Unencumbered Cash Balance Jan 1	9,897	9,897	9,897
Receipts:			
Interest on Idle Funds			
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	0	0	0
Resources Available:	9,897	9,897	9,897
Expenditures:			
Emergency Communications Equipment	0	0	9,897
Cash Forward (2018 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	0	0	9,897
Unencumbered Cash Balance Dec 31	9,897	9,897	0
2016/2017/2018 Budget Authority Amount	9,897	9,897	9,897

Adopted Budget

Adopted Budget	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Tourism			
Unencumbered Cash Balance Jan 1	39,737	36,462	30,846
Receipts:			
Tourism Operations			
Transient Guest Tax	19,165	18,000	18,000
Donations/Dedicated Funds	5,398	3,934	2,750
All Other	159	250	250
John Brown Jamboree			
Sponsorships & Donations	18,830	13,000	26,000
Ticket Sales	3,067	1,944	4,000
Entry Fees	1,195	200	200
Concessions & Merch Sales	1,612	134	200
Transfers In	10,000	10,000	10,000
All Other	50	296	300
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	59,476	47,758	61,700
Resources Available:	99,213	84,220	92,546
Expenditures:			
Tourism Operations			
Contractual Services	16,521	17,650	17,650
Commodities	1,678	2,750	2,750
Capital Outlay	3,591	0	0
Other Expenses	2,125	2,500	12,500
John Brown Jamboree			
Contractual Services	30,244	24,713	24,633
Commodities	8,205	5,373	8,400
Other Expenses	388	388	10,388
Cash Forward (2018 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	62,751	53,374	76,320
Unencumbered Cash Balance Dec 31	36,462	30,846	16,226
2016/2017/2018 Budget Authority Amount	83,501	85,350	76,320

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget Special Parks & Recreation	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	94,867	100,084	34,623
Receipts:			
Liquor Tax	3,008	2,725	3,000
Miscellaneous		2,100	
Transfer from Recreation Fund	224	5	0
Transfer from Electric Fund	35,000	20,000	20,000
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	38,232	24,830	23,000
Resources Available:	133,099	124,914	57,623
Expenditures:			
Contractual Services	7,284		
Capital Outlay	8,441	73,000	20,000
Debt Service	17,290	17,290	17,290
Cash Forward (2018 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	33,015	90,290	37,290
Unencumbered Cash Balance Dec 31	100,084	34,623	20,333
2016/2017/2018 Budget Authority Amount	96,043	50,000	37,290

See Tab C

Adopted Budget

Adopted Budget Electric Reserve Debt Service	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	95,763	147,866	149,991
Receipts:			
Transfer In from Electric Fund	339,394	435,725	435,725
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	339,394	435,725	435,725
Resources Available:	435,157	583,591	585,716
Expenditures:			
Bond Principal	135,000	225,000	235,000
Bond Interest	152,290	208,600	200,725
Bond Service Fee	1		
Cash Forward (2018 column)			10,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	287,292	433,600	445,725
Unencumbered Cash Balance Dec 31	147,866	149,991	139,991
2016/2017/2018 Budget Authority Amount	287,292	443,600	445,725

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget	Prior Year	Current Year	Proposed Budget
Water	Actual for 2016	Estimate for 2017	Year for 2018
Unencumbered Cash Balance Jan 1	179,813	243,189	145,552
Receipts:			
Sales and Charges	561,784	597,474	665,525
Wholesale Water	261,777	287,118	281,376
Bulk Water Sales	13,063	16,774	16,439
New Utility Services	2,380		
Reimbursed Expense	8,257		
Water Protection Tax	3,034	3,500	3,500
Tower Lease	16,331	16,331	16,331
Transfer in from Rural Fire	4,000		
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	870,628	921,197	983,170
Resources Available:	1,050,441	1,164,386	1,128,721
Expenditures:			
Administration			
Operating Expenses	65,386	65,104	64,764
Overhead Expenses	93,254	111,012	122,962
Capital Outlay	1,325	2,630	1,000
Taxes and Fees	15,290	19,500	27,500
Transfers	100,827	168,000	172,500
Treatment			
Salaries & Wages	123,252	134,013	149,794
Utilities	36,514	38,000	38,000
Treatment Chemicals	64,104	75,000	80,000
Capital Outlay	7,192	51,150	20,000
All Other Expenses	66,609	49,593	10,660
Distribution			
Salaries & Wages	123,252	134,013	149,794
Construction Materials	51,932	30,000	30,000
Capital Outlay	2,483	69,265	78,000
All Other Expenses	55,833	71,556	62,832
Cash Forward (2018 column)			30,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	807,251	1,018,834	1,037,805
Unencumbered Cash Balance Dec 31	243,189	145,552	90,916
2016/2017/2018 Budget Authority Amount	1,034,129	1,054,025	1,037,805

City of Osawatomie

2018

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget	Prior Year	Current Year	Proposed Budget
Electric	Actual for 2016	Estimate for 2017	Year for 2018
Unencumbered Cash Balance Jan 1	492,982	427,571	299,184
Receipts:			
Sales and Charges	3,281,033	3,443,181	3,785,791
Penalties and Fees	119,665	115,326	114,045
Excess Capacity Sales	0	0	50,000
Utility Deposits	69,350	55,000	55,000
Sales Taxes Collected	103,800	112,450	119,375
Reimbursed Expenses	0	0	0
Miscellaneous	103,604	31,213	17,180
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	3,677,453	3,757,170	4,141,390
Resources Available:	4,170,435	4,184,741	4,440,575
Expenditures:			
Administration			
Operating Expenses	132,944	149,814	151,529
Overhead Expenses	223,198	209,402	201,930
Capital Outlay	0	1,630	0
Taxes and Fees	110,984	120,232	127,635
Transfers	885,157	908,725	888,725
All Other Expenses	89,218	100,636	100,950
Supply			
Purchased Power/Trans/Fuel	1,564,415	1,677,561	1,788,202
Insurance	42,360	68,077	51,200
Capital Outlay	23,671	6,500	0
All Other Expenses	131,744	131,998	133,444
Distribution			
Building & Construction Materials	76,864	53,100	64,000
All Other Operating Expenses	363,669	392,882	403,816
Capital Outlay	98,642	65,000	130,000
Cash Forward (2018 column)			100,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	3,742,865	3,885,556	4,141,431
Unencumbered Cash Balance Dec 31	427,571	299,184	299,144
2016/2017/2018 Budget Authority Amoun	4,287,414	4,223,746	4,141,431

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget Sewer	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	245,326	153,253	173,529
Receipts:			
Sales/Charges	844,778	891,987	891,987
Reimbursed Expense		5,333	
Transfer in from Rural Fire	8,000	0	
Sale of Fixed Assets	1,396		
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	854,174	897,320	891,987
Resources Available:	1,099,500	1,050,573	1,065,516
Expenditures:			
Salaries & Wages	154,006	175,134	181,782
Utilities	46,492	50,000	55,000
Prof Services & Contract Maint	22,232	31,800	25,000
Chemicals	7,276	8,000	8,000
Parts & Supplies	28,906	7,000	17,000
All Other Capital Outlay	22,009	37,397	84,000
Debt Service	474,300	362,501	412,300
Transfer to General Fund	40,000	40,000	42,000
Overhead Fees	93,254	106,805	118,709
All Other Expenses	57,773	58,407	81,350
Cash Forward (2018 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	946,247	877,043	1,025,141
Unencumbered Cash Balance Dec 31	153,253	173,529	40,375
2016/2017/2018 Budget Authority Amount	1,033,344	979,430	1,025,141

City of Osawatomic

2018

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget Golf Course	Prior Year Actual for 2016	Current Year Estimate for 2017	Proposed Budget Year for 2018
Unencumbered Cash Balance Jan 1	5,601	1,399	1,885
Receipts:			
Greens & Range Fees	74,226	75,606	81,300
Member Fees	40,365	45,998	45,000
Cart Related Fees	40,529	42,170	43,200
Food & Beverage	46,532	45,783	50,000
Pro Shop Sales	5,007	4,917	6,000
Sales Taxes	8,451	8,448	8,845
Transfer from Electric	70,000	70,000	70,000
Miscellaneous	8,218	9,126	4,100
Does miscellaneous exceed 10% Total Rec			
Total Receipts	293,327	302,049	308,445
Resources Available:	298,928	303,448	310,330
Expenditures:			
Salaries & Wages	125,741	135,327	133,796
Utilities	22,850	19,814	22,000
Rentals	3,114	3,097	3,500
Chemicals/Seed/Fertilizer	18,053	17,143	16,500
Fuels	9,310	8,934	9,500
Food & Beverage	26,768	26,486	27,500
Construction Equipment	300	0	0
Seasonal Leases	0	0	0
Debt Service	0	10,920	5,460
All Other Expenditures	91,393	79,842	68,997
Cash Forward (2018 column)			15,000
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	297,529	301,563	302,253
Unencumbered Cash Balance Dec 31	1,399	1,885	8,078
2016/2017/2018 Budget Authority Amount	305,000	313,946	302,253

NON-BUDGETED FUNDS (C)

(Only the actual budget year for -2 is to be shown)

City of Osawatomie

Non-Budgeted Funds-C

(1) Fund Name: (2) Fund Name: (3) Fund Name: (4) Fund Name: (5) Fund Name:

Court ADSAP		Court Bonds		Evidence Liability		Forfeitures			
Unencumbered		Unencumbered		Unencumbered		Unencumbered		Unencumbered	
Cash Balance Jan 1	7,401	Cash Balance Jan 1	13,667	Cash Balance Jan 1	12,900	Cash Balance Jan 1	2,928	Cash Balance Jan 1	Total
									36,896

Receipts: Receipts: Receipts: Receipts:

	Bonds	15,061				Reimbursed Exp.	900		
Total Receipts	0	Total Receipts	15,061	Total Receipts	0	Total Receipts	900	Total Receipts	0
Resources Available:	7,401	Resources Available:	28,727	Resources Available:	12,900	Resources Available:	3,828	Resources Available:	0
									15,961
									52,856

Expenditures: Expenditures: Expenditures: Expenditures:

	Refunds	15,458				Undercover Ops	2,850		
Total Expenditures	0	Total Expenditures	15,458	Total Expenditures	0	Total Expenditures	2,850	Total Expenditures	0
Cash Balance Dec 31	7,401	Cash Balance Dec 31	13,270	Cash Balance Dec 31	12,900	Cash Balance Dec 31	978	Cash Balance Dec 31	0
									18,308
									34,549
									34,549

**Note: These two block figures should agree.

NOTICE OF BUDGET HEARING

2018

The governing body of
City of Osawatomie

will meet on August 24, 2017 at 6:30 PM at Memorial Hall, 11th & Main, Osawatomie, Kansas for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of ad valorem tax.

Detailed budget information is available at City Hall or at www.osawatomioks.org and will be available at this hearing.

BUDGET SUMMARY

Proposed Budget 2018 Expenditures and Amount of 2017 Ad Valorem Tax establish the maximum limits of the 2018 budget.

Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual for 2016		Current Year Estimate for 2017		Proposed Budget Year for 2018		
	Expenditures	Actual Tax Rate *	Expenditures	Actual Tax Rate *	Budget Authority for Expenditures	Amount of 2017 Ad Valorem Tax	Estimate Tax Rate *
General	2,394,552	25.649	2,580,134	28.098	2,673,263	658,115	29.431
Debt Service (Bond & Int)	799,514	12.727	799,069	14.109	971,280	354,509	15.854
Library	13,342		7,000		150,000		
Industrial	15,988		78,138	0.100	109,480	2,240	0.100
Employee Benefits	738,734	25.904	739,063	24.417	872,458	506,058	22.631
Public Safety Equipment	142,136		117,063	0.999	63,300	19,876	0.889
Recreation	224				1,000		
Recreation Employee Benefit	28				500		
Street Improvements (Spec. Hwy)	137,439		141,980		187,500		
Refuse	401,001		431,000		431,500		
Special Revenue 911					9,897		
Tourism	62,751		53,374		76,320		
Special Parks & Recreation	33,015		90,290		37,290		
Electric Reserve Debt Service	287,292		433,600		445,725		
Water	807,251		1,018,834		1,037,805		
Electric	3,742,865		3,885,556		4,141,431		
Sewer	946,247		877,043		1,025,141		
Golf Course	297,529		301,563		302,253		
Non-Budgeted Funds-A	2,495,235						
Non-Budgeted Funds-B	979,823						
Non-Budgeted Funds-C	18,308						
Totals	14,313,272	64.280	11,553,708	67.723	12,536,143	1,540,799	68.905
Less: Transfers	1,376,117		1,152,645		1,135,185		
Net Expenditure	12,937,155		10,401,063		11,400,958		
Total Tax Levied	1,432,071		1,494,115		xxxxxxxxxxxxxxxx		
Assessed Valuation	22,278,593		22,062,081		22,361,437		
Outstanding Indebtedness,							
January 1,	2015		2016		2017		
G.O. Bonds	8,047,000		9,709,000		9,415,000		
Revenue Bonds	0		6,095,000		5,960,000		
Other	1,273,000		1,270,563		1,266,954		
Lease Purchase Principal	255,108		217,999		170,873		
Total	9,575,108		17,292,562		16,812,828		

*Tax rates are expressed in mills

Donald R Cawby
City Official Title: City Manager

CIP SUMMARY

Category	Dept	Req Project Total	Rec Project Total	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
Facilities	City Hall Complex	683,818	413,818	25,850	474,150	-	(110,982)	363,168	200,000	70,000	-	-	-
	Codes/Dog Pound	45,000	-	-	-	-	-	-	10,000	35,000	-	-	-
	Tourism/Public Use	90,385	15,385	-	-	-	-	-	-	75,000	-	-	-
	Public Safety	127,261	37,261	18,261	-	25,000	(25,000)	19,000	90,000	-	-	-	-
	Library	756,518	180,518	4,758	-	-	45,500	45,500	545,000	25,000	6,000	-	-
	Sports Complex & Pool	521,803	521,803	252,589	-	-	-	-	-	-	-	-	-
	Parks	258,362	196,362	14,225	31,059	40,000	1,941	73,000	20,000	22,000	20,000	75,000	-
	Lake	135,867	30,867	-	10,000	15,000	(17,000)	8,000	10,000	75,000	20,000	-	-
	Trail	345,000	-	-	-	25,000	(25,000)	-	25,000	250,000	70,000	-	-
	Public Works & Utilities	7,155	7,155	7,155	-	-	-	-	-	-	-	-	-
	Water Plant	5,330,690	135,690	-	45,000	40,000	(23,840)	61,160	15,000	70,000	5,110,000	25,000	-
	Power Plant & Sub-Stations	6,182,312	6,182,312	926,512	2,594,162	450,000	(35,000)	3,009,162	-	-	-	-	-
	Sewer Plant	2,712,757	1,296,257	(368)	30,368	170,000	(170,368)	30,000	170,000	1,246,500	-	-	-
Golf Course	496,195	111,695	-	-	10,000	12,500	22,500	8,000	18,500	358,000	20,000	-	
Subtotal	\$17,693,124	\$ 9,129,124	\$1,248,982	\$3,184,738	\$ 775,000	\$(347,249)	\$3,631,489	\$1,093,000	\$1,887,000	\$5,584,000	\$120,000	\$ 120,000	\$ -
Infrastructure	Leaves & Cemeteries	1,147,732	397,732	-	-	-	7,000	7,000	-	750,000	-	-	-
	Streets	7,225,176	6,140,176	1,622,127	19,183	1,255,000	1,120,390	2,394,573	105,000	290,000	700,000	900,000	50,000
	Electric Distribution	893,354	741,354	38,606	3,829	75,000	(1,829)	77,000	87,000	115,000	120,000	125,000	125,000
	Water	1,241,007	1,106,007	305,357	35,000	-	-	35,000	45,000	45,000	45,000	45,000	45,000
	Sewer	355,000	-	-	-	355,000	(355,000)	-	300,000	20,000	35,000	60,000	-
	Stormwater	315,000	60,000	-	-	15,000	(15,000)	-	15,000	40,000	200,000	60,000	-
	Subtotal	\$11,177,268	\$ 8,445,268	\$1,966,091	\$ 58,012	\$1,700,000	\$ 755,561	\$2,513,573	\$ 552,000	\$1,260,000	\$1,100,000	\$1,130,000	\$1,130,000
Technology	City Hall	71,960	36,960	8,639	-	-	20,000	20,000	35,000	-	-	-	-
	Public Safety	67,885	55,885	4,685	-	10,000	(10,000)	12,000	-	40,000	-	5,600	5,600
	Public Works & Utilities	8,286	8,286	-	15,000	-	-	4,886	-	100,000	-	-	-
	Subtotal	\$ 148,131	\$ 101,131	\$ 13,324	\$ 15,000	\$ 10,000	\$ 10,000	\$ 36,886	\$ 35,000	\$ 140,000	\$ -	\$ 5,600	\$ 5,600
	Equipment	City Hall	2,000	2,000	-	-	30,000	(28,000)	2,000	-	-	-	-
Public Safety		319,736	224,336	137,936	-	28,100	(4,000)	18,300	26,800	24,800	43,800	5,000	5,000
Library		-	-	-	-	-	-	-	-	-	-	-	-
Parks		325,109	234,698	81,990	-	30,637	(7,000)	23,637	30,637	29,137	30,637	24,137	30,637
Streets		378,179	344,179	40,640	-	39,480	(6,000)	33,480	16,000	24,000	24,000	65,000	55,000
Water & Sewer		114,295	74,295	-	-	-	-	-	40,000	-	-	70,000	-
Electric		179,361	90,361	6,200	-	35,000	7,000	7,000	43,000	38,000	8,000	8,000	18,000
Golf Course		164,450	128,450	21,450	-	-	-	-	5,000	17,000	41,000	40,000	-
Subtotal	\$ 1,483,130	\$ 1,098,319	\$ 288,215	\$ -	\$ 163,217	\$(38,000)	\$ 84,417	\$ 161,437	\$ 132,937	\$ 147,437	\$ 212,137	\$ 212,137	\$108,637

CIP SUMMARY

Category	Dept	Req Project Total	Rec Project Total	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
Vehicles	City Hall	43,942	43,942	4,933	-	-	-	-	-	-	-	-	-
	Public Safety	546,737	334,737	14,583	-	480,000	(426,000)	54,759	70,000	92,000	50,000	92,000	120,000
	Parks & Cemeteries	76,689	35,689	-	-	30,000	1,694	31,694	17,000	-	24,000	-	-
	Streets & Cemeteries	281,522	119,522	-	-	-	-	-	-	32,000	130,000	27,000	70,000
	Water	28,231	28,231	-	-	40,000	(11,769)	28,231	-	-	-	-	-
	Electric Distribution	476,060	411,060	39,938	-	35,000	(35,000)	-	-	65,000	-	180,000	30,000
	Power Plant	20,000	20,000	-	-	-	-	-	-	-	-	-	20,000
	Sewer	32,000	-	-	-	15,000	(15,000)	-	-	32,000	-	-	-
	Golf Course	11,503	11,503	-	-	-	-	-	-	-	-	-	-
	Subtotal	\$ 1,516,685	\$ 1,004,685	\$ 59,454	\$ -	\$ 600,000	\$(486,075)	\$ 114,684	\$ 87,000	\$ 221,000	\$ 204,000	\$ 299,000	\$240,000
TOTAL		\$32,006,834	\$19,767,023	\$3,576,066	\$3,257,750	\$3,248,217	\$(105,763)	\$6,381,049	\$1,928,437	\$3,640,937	\$7,035,437	\$1,766,737	\$574,237

CIP - FACILITIES

Req	Project	Funding	Dept	Source	2016	2016-2017	2017	2017	2017	2018	2019	2020	2021	2022
	Req Project Total													
	City Hall Complex													
	Mold Abatement	Admin	CI-Gen		19,392									
	Boiler-Radiator Repairs	Admin	CI-Gen/ECP		75,408									
	Renovate Old PD into Council/Court Room	Admin	CI-Grant		72,298	100,000	(27,702)	72,298			70,000			
	Repair City Hall Building - Masonry	Admin	CI-Bonds		25,850	274,150		274,150						
	Repair City Hall Roof - West Entrance	Admin	CI-Gen				8,600	8,600						
	City Auditorium Update	Admin	CI-Gen				8,120	8,120						
	Repair City Hall Building - Inside	Admin	CI-Grant			100,000	(100,000)							
	Repair City Hall / Auditorium Roof	Admin	CI-Gen						200,000					
	Subtotal				\$ 25,850	\$ 474,150	\$ (110,982)	\$ 363,168	\$ 200,000	\$ 70,000	\$ -	\$ -	\$ -	\$ -
	Dog Pound													
	Dog Pound Ceiling	Codes	CI-Gen		5,000				5,000					
	Dog Pound Heating and AC	Codes	CI-Gen		5,000				5,000					
	Animal Cages	Codes	CI-Gen		35,000					35,000				
	Subtotal				\$ 45,000	\$ -	\$ -	\$ -	\$ 10,000	\$ 35,000	\$ -	\$ -	\$ -	\$ -
	Tourism/Public Use													
	Roof Replacement - Old Stone Church	Tourism	CI-Gen		12,620									
	Repair Garage at Cabin	Tourism	General		2,765									
	Renovate Memorial Hall - Exterior	Tourism	CI-Gen		50,000					50,000				
	Renovate Memorial Hall - Interior	Tourism	CI-Gen		25,000					25,000				
	Subtotal				\$ 90,385	\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -
	Public Safety													
	New Police Station	Police	Debt		503,422									
	Police Parking Lot	Police	Debt		18,261									
	New Fire Station - Renovate Electric Building	Fire	CI-Gen		25,000		(25,000)			25,000				
	Fire Station Roof and Gutter Repair	Fire	CI-Gen		65,000					65,000				
	Emergency Operation Center	Fire	PSE		19,000			19,000						
	Subtotal				\$ 127,261	\$ -	\$ (25,000)	\$ 19,000	\$ 90,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Library													
	Library Improvements - Phase 1	Library	CDBG/Lib		75,648									
	General Repairs	Library	General		987									
	Basement Improvements	Library	Library		10,753									
	Fix Settlement on SE Corner	Library	CI-Gen/Lib		42,872									
	Front Sidewalk Upgrade	Library	Library		4,758									
	Roof Replacement	Library	CI-Gen/Lib		36,000		36,000	36,000						
	Furnace Replacement	Library	Library		9,500		9,500	9,500						
	Library Parking Lot	Library	Library		25,000						25,000	6,000		
	Light Replacement	Library	Library		6,000									
	Library Improvements - Phase 2	Library	CDBG/Lib		545,000				545,000					
	Subtotal				\$ 756,518	\$ -	\$ 45,500	\$ 45,500	\$ 545,000	\$ 25,000	\$ 6,000	\$ -	\$ -	\$ -

CIP - FACILITIES

Req	Project	Funding	Dept	Source	Total	2016	2016-2017	2017	2017	2017	2018	2019	2020	2021	2022
	Sports Complex & Pool														
	Pool - Swimming Pool Replacement	Bonds/Tax	Prop		4,670										
	Complex - Improvements - Playground	CI-Gen/Grant	Prop		43,007										
	Complex - Replace BR & Concession Stand Buildings	LP/Grant	Prop		135,900										
	Complex - Drainage, Canopy, Sidewalks	CI-Gen	Prop		70,555										
	Complex - Bleachers, Courts, Shade	CDBG	Prop		252,589										
	Subtotal			\$	521,803	\$	-	\$	-	\$	-	\$	-	\$	-
	Parks														
	JB Park - New Mulch	SP&R	Prop		12,298										
	JB Park - Bathroom Roof Replacement	SP&R	Prop		6,100										
	JB Park - Survey of Park / Master Planning	SPR	Prop		7,284										
	JB Park - General Improvements	SPR	Prop		6,941		3,059	10,000	(13,059)	(0)					
	JB Park - Replace Pipe Under Concert Area	CI-Gen	Prop		15,740		5,000	(5,000)							
	JB Park - ADA Ramp for Shelter House	SPR	Prop		3,000		3,000			3,000					
	JB Park - Parker Avenue Bridge	SPR	Prop		20,000					20,000					
	JB Park - Replace 10th Street Bridge	SPR	Prop		30,000			30,000		30,000					
	JB Park - Replace Curb & Gut - 10th St. & Cabin Loop	SPR-Grant	Prop		40,000				20,000	20,000					
	JB Park - Realign Creeks & Const Energy Disipators	SPR	Prop		10,000						20,000				
	JB Park - Construct New Restrooms	SPR	Prop		12,000						10,000				
	JB Park - Construct Pavilion North of Playground	SPR	Prop		20,000						12,000		20,000		
	Develop East Side Park	SPR	Prop		75,000									75,000	
	Subtotal			\$	258,362	\$	14,225	\$	40,000	\$	20,000	\$	22,000	\$	75,000
	Lake														
	City Lake - Shelterhouse Improvements	CI-Gen/Grant	Prop		32,867			10,000	(10,000)		10,000				
	City Lake - Remove Horse Arena, Const Campgrnd	CI-Gen	Prop		-			5,000	(5,000)						
	City Lake - Replace Fishing Dock	CI-Gen	Prop		8,000		5,000	3,000	8,000						
	City Lake - Construct Earthen Fishing Weirs	CI-Gen/Grant	Prop		5,000						5,000				
	City Lake - Replace Playground Equipment	CI-Gen/Grant	Prop		50,000						50,000				
	City Lake - Const Restrooms on E Side of Lake	CI-Gen	Prop		20,000						20,000				
	City Lake - Const Restrooms on W Side of Lake	CI-Gen	Prop		20,000							20,000			
	Subtotal			\$	135,867	\$	10,000	\$	15,000	\$	10,000	\$	20,000	\$	75,000
	Trail														
	Trail - Improvements	CI-Gen/Grants	Prop		275,000			25,000	(25,000)		25,000				
	Trail - Construct Trailhead Parking/Access Rod	CI-Gen/Grants	Prop		70,000								70,000		
	Subtotal			\$	345,000	\$	-	\$	25,000	\$	25,000	\$	70,000	\$	-
	Public Works & Utilities - Buildings & Workshops														
	Salt Storage Structure	Street Imp	DPWU		7,155										
	Shop, Storage, Office Add to Exist PW Shop	SPLIT	DPWU		-										
	Subtotal			\$	7,155	\$	-	\$	-	\$	-	\$	-	\$	-

CIP - FACILITIES

Req	Project	Funding	Dept	Source	2016	2016-2017	2017	2017	2017	2018	2019	2020	2021	2022
	Water Plant													
	Replace Chlorine Tank	Water	Water											
	UltraSonic Level Indicator for Cleanwell	Water	Water			10,000	(10,000)				10,000			
	Intake Water Meter	Water	Water			20,000	(13,840)							
	Clean Sludge Lagoon	Water	Water			15,000	(15,000)			15,000	60,000			
	Replace/Repair Water Plant Breaker	Elec	Water				(40,000)							
	Upgrade Filter Media	Water	Loan/Water				45,000							
	Upgrade Water Treatment Plant	Water	Debt				10,000					5,000,000		
	Automation and Alarms at Plant and Towers	Water	Loan/Water									50,000		
	Replace #1 High Service Pump	Water	Loan/Water									40,000		
	Replace/Add Filter Back Wash Pump	Water	Loan/Water									20,000		
	Clean & Dredge Intake	Water	Loan/Water										25,000	
	Subtotal				\$ -	\$ 45,000	\$ (23,840)	\$ 40,000	\$ (35,000)	\$ 15,000	\$ 70,000	\$ 5,110,000	\$ 25,000	\$ -
	Power Plant & Sub-Station													
	RICE Conversion	Elec	CI-Gen											
	Upgrade Meters on Switchgear	Elec	CI-Gen											
	Substation Breaker Replacement - Plant	Elec	Electric			35,000	(35,000)							
	New Generation/Substation/Electric Shop	Elec	Electric/Debt		926,512	2,559,162		450,000	3,009,162					
	Substation Replacement	Elec	Electric/Debt											
	Clean/Test Generators & Switchgear	Elec	Electric											
	New Electric Shop	Elec	Debt											
	Subtotal				\$ 926,512	\$ 2,594,162	\$ (35,000)	\$ 450,000	\$ 3,009,162	\$ -	\$ -	\$ -	\$ -	\$ -
	Sewer Plant													
	Upgrade Alarms at Lift Stations	Sewer	Sewer			20,000	(20,000)				20,000			
	Plant Upgrade - Phase I - Headworks & Sludge Press+B1:	Sewer	SRLF/Sew		(368)	10,368	9,632		20,000					
	Maintenance - Replace 1 decanter arm drive	Sewer	Sewer				(50,000)			50,000				
	Plant Upgrade - Phase II - UV Replacement	Sewer	SRLF				(40,000)		10,000	50,000	526,500			
	Plant Upgrade - Phase III - Optimization	Sewer	SRLF		(368)	30,368	(70,000)	70,000		70,000	700,000			
	Subtotal				\$ (368)	\$ 30,368	\$ (170,368)	\$ 170,000	\$ 30,000	\$ 170,000	\$ 1,246,500	\$ -	\$ -	\$ -
	Req Project Total				\$ 5,330,690	\$ 6,182,312	\$ 2,712,757	\$ 6,182,312	\$ 2,712,757	\$ 6,182,312	\$ 2,712,757	\$ 6,182,312	\$ 2,712,757	\$ 6,182,312

CIP - FACILITIES

Description	Dept	Funding Source	Req Project Total	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
Golf Course													
Golf Course Repairs from Storm and Drought	Golf	CI-Gen	14,560										
Zoyasia on Fairways	Golf	Industrial	42,742										
Clubhouse - Counter, Ceiling, Floor Upgrade	Golf	CI-Gen	11,893										
Clubhouse - Bathroom Remodel	Golf	CI-Gen	2,500			1,000		2,500					
Clubhouse - Kitchen Upgrade + Fryers	Golf	CI-Gen	45,000			2,500	(2,500)	-		15,000	30,000		
Irrigation Control System Upgrade	Golf	CI-Gen	6,000			6,000	(6,000)	-	6,000				
Cart Path/Drainage Upgrades	Golf	CI-Gen/Debt	20,000				20,000	20,000					
4 sets of Wrought Iron Patio Furniture	Golf	CI-Gen	-								45,000		
On Course Shelter; Bathrooms; Irrigation Controls	Golf	CI-Gen	45,000							3,500			
Level / Sand Cap Tee Boxes / Reseed	Golf	Golf	3,500										
Clubhouse - Deck Upgrades	Golf	CI-Gen	2,000						2,000				
Maintenance Facility Upgrades	Golf	CI-Gen/Debt	200,000								200,000		
Cart Storage Pad & Permanent Tent	Golf	CI-Gen	75,000								75,000		
Zoyasia Tee Box Expansion	Golf	CI-Gen	8,000								8,000		
Irrigation Addition to Range	Golf	CI-Gen	20,000									20,000	
Subtotal			\$ 496,195	\$ -	\$ -	\$ 10,000	\$ 12,500	\$ 22,500	\$ 8,000	\$ 18,500	\$ 358,000	\$ 20,000	\$ -
TOTAL			\$ 18,196,546	\$ 1,248,982	\$ 3,184,738	\$ 775,000	\$ (347,249)	\$ 3,631,489	\$ 1,093,000	\$ 1,887,000	\$ 5,584,000	\$ 120,000	\$ -

CIP - INFRASTRUCTURE

Description	Dept	Funding Source	Req Total Project	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
Levees & Cemeteries													
Levee Certification - Planning & Impsection	Prop	CIP/GF	384,931										
New Section in Cemetery	Prop	Gen/CI-G	5,801										
HESCOS Bastion			7,000			7,000							
Levee Certification - Construction	Prop	Debt	750,000							750,000			
Subtotal			\$ 1,147,732	\$ -	\$ -	\$ 7,000	\$ 7,000	\$ 7,000	\$ -	\$ 750,000	\$ -	\$ -	\$ -
Streets													
Brown & Pacific Replacement	Streets	CDBG/Loan	1,039,721										
LMI Survey - for Main Street Project	Streets	CI-Gen	13,142										
Reconstruct Main Street from 1st to 5th	Streets	CDBG/Loan	1,572,093	1,481,229									
Reconstruct Main Street from 7th to 12th	Streets	CDBG/Loan	2,400,390	105,621	19,183	1,200,000	1,070,390	2,289,573					
West Lake Road - Rip up, Rock, Double Chip-Seal	Streets	Street Fund	36,385	21,833									
East Lake Road -	Streets	Street Fund	13,444	13,444									
Unassigned Street Replacement/Chip Seal	Streets	Street Fund	230,000			55,000		55,000	55,000	60,000	60,000		
Unassigned Sidewalk Construction/Replacement	Streets	CI-Gen	70,000						10,000	10,000	10,000	20,000	20,000
Unassigned Curb and Gutter Replacement	Streets	CI-Gen	120,000							30,000	30,000	30,000	30,000
Brown from 16th to 18th	Streets	Street Fund	150,000							150,000	100,000		
18th from Brown to Main	Streets	Street Fund	100,000								100,000		
Pacific - 1st to East/Oscar - Mill to Pacific	Streets	CDBG/Loan	500,000										
Slayman Property Purchase	CI - Gen		130,000			50,000			40,000	40,000			
8th from Main to Pacific & 9th from Main to Pacific	Streets	CDBG/Loan	850,000									850,000	
Subtotal			\$ 7,225,176	\$ 1,622,127	\$ 19,183	\$ 1,255,000	\$ 1,120,390	\$ 2,394,573	\$ 105,000	\$ 290,000	\$ 700,000	\$ 900,000	\$ 50,000
Water													
Replace Main on 3rd & Walnut	Water	Water	13,013										
Water Main on Main Street from 1st to 5th, 7th to 12th	Water	Loan	945,781	305,357									
Replace Main on 5th Street	Water	Water	22,213										
Water Main on Reed - 3rd to 5th	Water	Water	-				(35,000)						
Water Main on Main terr	Water	Water	35,000				35,000	35,000					
Unassigned Water Main and Valve Replacement	Water	Water	225,000							45,000	45,000	45,000	45,000
Subtotal			\$ 1,241,007	\$ 305,357	\$ 35,000	\$ -	\$ -	\$ 35,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Electric Distribution													
Poles	Elec	Electric	140,567	11,231		15,000		15,000	15,000	15,000	20,000	20,000	20,000
Transformers	Elec	Electric	191,908	18,348		20,000		20,000	20,000	25,000	25,000	25,000	25,000
Wire	Elec	Electric	257,461	9,027		25,000		25,000	25,000	25,000	25,000	30,000	30,000
Power Line Replacement													
Between Main and Main Terrace from 16 to 18 (under)	Elec	Electric	10,120										
Between Main st. Terr and Brown from 16 to 18 (under)	Elec	Electric	18,127										
Between Main st. and Parker from 16 to 18 (under)	Elec	Electric	31,171				(3,829)						
Between Main and Parker from 5th to 7th (over)	Elec	Electric	17,000			15,000	2,000	17,000					
Replace poles, insu. & crossarms 34.5k E of town	Elec	Electric	27,000										
Upgrade Distribution System - Start Changing Feeders	Elec	Debt	200,000						27,000	50,000	50,000	50,000	50,000
Subtotal			\$ 893,354	\$ 38,606	\$ 3,829	\$ 75,000	\$ (1,829)	\$ 77,000	\$ 87,000	\$ 115,000	\$ 120,000	\$ 125,000	\$ 125,000

CIP - INFRASTRUCTURE

Description	Dept	Funding Source	Req Total Project	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
Sewer													
Replace Sewer Line - Shady Lane to Lift Station	Sewer	Sewer	20,000			20,000	(20,000)	-		20,000			
Replace Sewer Line - 15th Street to 15th Terrace	Sewer	Sewer	35,000			35,000	(35,000)	-			35,000		
Replace West Lift Station	Sewer	Debt	300,000			300,000	(300,000)	-	300,000				
Subtotal			\$ 355,000	\$ -	\$ -	\$ 355,000	\$ (355,000)	\$ -	\$ 300,000	\$ 20,000	\$ 35,000	\$ -	\$ -
Stormwater													
Drainage Study	DPWU	General	15,000			15,000	(15,000)	-	15,000				
West Parker Ave	DPWU	General	20,000					-		20,000			
4th Street Ditch - Lincoln to Carr	DPWU	General	20,000					-		20,000			
13th St. Ditch - Parker to Pacific	DPWU	General	200,000					-			200,000		
East Side Ditch - 3rd to 4th Street	DPWU	General	60,000					-				60,000	
Subtotal			\$ 315,000	\$ -	\$ -	\$ 15,000	\$ (15,000)	\$ -	\$ 15,000	\$ 40,000	\$ 200,000	\$ 60,000	\$ -
TOTAL			\$ 11,177,268	\$ 1,966,091	\$ 58,012	\$ 1,700,000	\$ 755,561	\$ 2,520,573	\$ 552,000	\$ 1,260,000	\$ 1,100,000	\$ 1,130,000	\$ 220,000

CIP - TECHNOLOGY

Description	Dept	Funding Source	Req Total Project	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
City Hall													
Upgrade to VOIP Telephone System	ALL	SPLIT	13,485	5,164				-					
Court Only Software	Court	General	3,475	3,475				-					
Upgrade Finance Software/Court Module	Admin	General	35,000					-	35,000				
Replace/Expand File Server	Admin	General	20,000			20,000		20,000					
Sensus Upgrade w/ Current Meters	-		-										
Sensus Complete Replacement	-		-										
Subtotal			\$ 71,960	\$ 8,639	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ 35,000	\$ -	\$ -	\$ -	\$ -
Public Safety													
Access Control System for PD	Police	CIP-Gen	4,685	4,685				-					
New RMS (\$13k annual operating cost)	Police	PSE	40,000			10,000	(10,000)	-		40,000			
Digital Tickets (\$500/month)	Police	PSE	-										
Tablets (15 @ \$600 each)	Police	PSE	-					12,000				5,600	5,600
Dispatch Console	Police	PSE	12,000									\$ 5,600	\$ 5,600
Computer Replacement	Police		11,200										
Subtotal			\$ 67,885	\$ 4,685	\$ -	\$ 10,000	\$ (10,000)	\$ 12,000	\$ -	\$ 40,000	\$ -	\$ 5,600	\$ 5,600
Public Works & Utilities													
Computer Equip & Software	Prop	General	1,421										
Computer Equipment & Software	Elec	Elec	1,979										
Fiber to Tie Subs	Electric	Elec								100,000			
GIS Equipment	DPWU	Split	4,886					4,886					
Subtotal			\$ 8,286	\$ -	\$ 15,000	\$ -	\$ -	\$ 4,886	\$ -	\$ 100,000	\$ -	\$ -	\$ -
TOTAL			\$148,131	\$13,324	\$ 15,000	\$ 10,000	\$ 10,000	\$ 36,886	\$ 35,000	\$ 140,000	\$ -	\$ 5,600	\$ 5,600

CIP - EQUIPMENT

Description	Dept	Funding Source	Req Total Project	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
City Hall													
General Equipment	City Hall	CI-Gen	-			30,000	(30,000)	-					
Metal Detector	Codes		2,000			2,000	2,000						
Subtotal			\$ 2,000	\$ -	\$ -	\$ 30,000	\$(28,000)	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety													
Equipment and Gear	Fire	PS/Gen	26,100			5,000		5,000					
SCBA & Bottle Replacement	Fire	PS/Grant	100,956	85,956		5,000		5,000	5,000	5,000	5,000		
Bunker Gear Replacement	Fire	PS/Grant	28,822	6,922		4,800		7,500	4,800	4,800	4,800		
Water Dive Replacement	Fire	PS/Grant	10,500			3,500		3,500	3,500	3,500			
Upgrade SCBA Compressor	Fire		10,000						5,000				
Backup Generator and Transfer Switch	Fire		20,000						10,000				
Large Diameter Hose	Fire		7,000								7,000		
Body Armor & Carriers	Police	PS/Grant	25,702	8,202		3,000		3,000	1,500	1,500	1,500	5,000	
Tasers	Police	PS/Grant	19,046	19,046									
Car Cameras	Police	PSE	14,799	14,799									
Body Cameras (16)	Police	PSE	3,010	3,010									
Surveillance Equipment	Police	PSE	7,000			7,000			7,000				
Flashlights & Gun Lights (16)	Police	PSE	2,800			2,800		2,800					
Radio Repeater System	Police	PSE	20,000								10,000		
15 Portable Radios	Police	PSE	24,000								12,000		
Subtotal			\$ 319,736	\$137,936	\$ -	\$ 28,100	\$(4,000)	\$ 18,300	\$ 26,800	\$ 24,800	\$ 43,800	\$ 5,000	\$ 5,000
Parks & Property													
Swimming Pool Safety Equipment	Prop	General	10,230										
Mower Replacement	Prop	GF-Prop	157,113	12,875		20,000		13,000	20,000	13,500	20,000	13,500	20,000
Purchase Mosquito Fogger	Streets	CI-Gen	9,534										
Purchase Tent	Prop	CI-Gen	7,019										
Crawler Video Camera for Pipe Inspection	Prop	SPLIT	46,577	46,577									
Lease Purchase Tractor-Mower	Prop	GF-Levee	77,735	10,637		10,637		10,637	10,637	10,637	10,637	10,637	10,637
Trade-In UTV	Prop	CI-Gen	5,000							5,000			
Replace Gator	Prop	GF-Prop	11,901	11,901									
Subtotal			\$ 325,109	\$ 81,990	\$ -	\$ 30,637	\$(7,000)	\$ 23,637	\$ 30,637	\$ 29,137	\$ 30,637	\$ 24,137	\$ 30,637

CIP - EQUIPMENT

Description	Dept	Funding Source	Req Total Project	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
Streets													
Purchase Metal Curb & Sidewalk Forms	Streets	Street	8,160	8,160				-					
Lease Payment Street Sweeper	Streets	LP-Streets	101,920	25,480		25,480		25,480					
Lease Trac Loader	DPWU	SPLIT	56,000	7,000		7,000	1,000	8,000	9,000	9,000			
Office Furniture & Equipment	Streets	CI-Gen	1,500					-					
Operational/Construction Equipment	Streets	CI-Gen	1,099					-					
Snow Plow	DPWU	Streets	6,153					-					
Replace Crack Seal Machine	Streets	Street	37,775					-					
Purchase Bucket for Skid Steer Loader	DPWU	Split	1,865					-					
Purchase Dozer Blade for Bobcat	Streets	CI-Gen	6,707					-					
Purchase Broom Attachment for Bobcat	Streets	CI-Gen	-				(7,000)	-	7,000				
Replace Walk Behind Saw	Streets	Street	7,000					-					
Replace Case 580L Backhoe	Streets	SPLIT/LP -	60,000					-		15,000	15,000		15,000
Replace Motorgrader with small used unit	Streets	CI-Gen	50,000					-				50,000	25,000
Replace Air Compressor	Streets	CI-Gen	25,000					-					15,000
Replace Roller Compactor	Streets	CI-Gen	15,000					-					
Replace Elgin Street Sweeper	Streets	CI-Gen	-					-					
Subtotal			\$ 378,179	\$ 40,640	\$ -	\$ 39,480	\$ (6,000)	\$ 33,480	\$ 16,000	\$ 24,000	\$ 24,000	\$ 65,000	\$ 55,000
Electric													
Skid-steer Trencher	Elec	Electric	25,966										
Dump Trailer	Elec	Electric	7,195										
Lease Mini Excavator	Elec	SPLIT	71,200	6,200			7,000	7,000	8,000	8,000	8,000	8,000	8,000
Replace 1992 Chipper Unit	Elec	Electric	35,000										
Replace Trencher	Elec	Electric	30,000										
Replace Dump Trailer	Elec	Electric	10,000							30,000			
Subtotal			\$ 179,361	\$ 6,200	\$ -	\$ 35,000	\$ 7,000	\$ 7,000	\$ 43,000	\$ 38,000	\$ 8,000	\$ 8,000	\$ 10,000
Water & Sewer													
Enclosed Tool Trailer for Water/Sewer	Water	Water	4,295										
Purchase Vacuum Excavation Trailer	W/WW	SPLIT	40,000						40,000				
Replace 580M Backhoe	Water	W/WW	70,000									70,000	
Diamond Wire Saw	-	-	-										
Subtotal			\$ 114,295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ 70,000	\$ -

CIP - EQUIPMENT

Description	Dept	Funding Source	Req Total Project	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
Golf Course													
Range Picker and Beverage Cart	Golf	Golf	2,500					-					
Purchase Fairway Mower (2011 TORO RM5510)	Golf	CI-Gen	16,000			-		-					
Replace Greensmower (2011 TORO GR3150)	Golf	CI-Gen	13,000			-		-					
Purchase Utility Vehicle (2011 Workman HDX)	Golf	CI-Gen	8,500					-					
Golf Cart Fleet Expansion (6-10)	Golf	CI-Gen	26,450	21,450				-	5,000		15,000		
Purchase New 15' Pull Behind Finish Mower	Golf	CI-Gen	15,000					-			12,000		
Purchase New Rotary Trim Mower	Golf	CI-Gen	12,000					-		17,000			
Replace Rough Mower	Golf	CI-Gen	17,000					-			14,000		
Replace Dakota Topdresser	Golf	CI-Gen	14,000					-				40,000	
Replace John Deere fairway mower	Golf	CI-Gen	40,000					-					
Replace John Deere Greens Mower	Golf	CI-Gen	-					-					
Replace John Deere Gator	Golf	CI-Gen	-					-					
Subtotal			\$ 164,450	\$ 21,450	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 17,000	\$ 41,000	\$ 40,000	\$ -
TOTAL			\$ 1,483,130	\$ 288,215	\$ -	\$ 163,217	\$ (38,000)	\$ 84,417	\$ 161,437	\$ 132,937	\$ 147,437	\$ 212,137	\$ 108,637

CIP - VEHICLES

Description	Dept	Funding Source	Req Total Project	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
City Hall													
General Vehicles/Work Trucks	Admin	CI-Gen	43,942	4,933	-	-	-	-	-	-	-	-	-
Subtotal			\$ 43,942	\$ 4,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety													
Replace Patrol Units (Every 2 years)	Police	PSE	252,737	14,583	-	30,000	10,000	40,759	20,000	42,000	42,000	42,000	40,000
Used SUV for Asst. Chief	Fire	PSE	4,000			4,000	4,000	4,000					
Replace Rental Pumper Truck	Fire	PSE	10,000			10,000	10,000	10,000					
New Pumper Truck	Fire	Grant/LP	250,000			450,000	(450,000)	-	50,000	50,000	50,000	50,000	50,000
Chief's Vehicle	Fire		30,000			-	-	-	70,000	92,000	50,000	92,000	30,000
Subtotal			\$ 546,737	\$14,583	\$ -	\$ 480,000	\$ (426,000)	\$ 54,759	\$ 70,000	\$ 92,000	\$ 50,000	\$ 92,000	\$ 120,000
Parks & Cemeteries													
New Trailer Truck for Mowing Crews	Property	CI-Gen	3,995										
Replace Inmate Super. 2001 Truck 4dr/4wd 1 ton	Cemetery	CI-Gen	31,694			30,000	1,694	31,694	17,000				
Replace 2000 Ford Ranger (mechanic)	Property	CI-Gen	17,000										
Replace 2006 Ford F-150 (mowing)	Property	CI-Gen	24,000								24,000		
Subtotal			\$ 76,689	\$ -	\$ -	\$ 30,000	\$ 1,694	\$ 31,694	\$ 17,000	\$ -	\$ 24,000	\$ -	\$ -
Streets & Cemeteries													
New Supervisors Truck	Streets	St Imp	17,506										
Trailer for Skid Steer	DPWU	Split	5,016										
Replace Street Pickup (Brent)	Streets	CI-Gen	32,000							32,000			
Replace 1990 Chevrolet Kodiak Tand-axle Dump			100,000								100,000		
Replace 2005 Ford F-350 (Jason)			30,000								30,000		
Replace 1998 GMC 2500 (Old Elec Truck)			27,000										
Replace 2007 GMC C-7500 (Dump)			70,000										
Replace 2007 Dodge Durango (Blake)			-										
Subtotal			\$ 281,522	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,000	\$ 130,000	\$ 27,000	\$ 70,000
Water													
Replace 2002 Ford F-350 Service Truck	Water	Water/Se	28,231			40,000	(11,769)	28,231					
Subtotal			\$ 28,231	\$ -	\$ -	\$ 40,000	\$ (11,769)	\$ 28,231	\$ -	\$ -	\$ -	\$ -	\$ -
Power Plant													
Replace 2005 Chevrolet Colorado			20,000										20,000
Subtotal			\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000

CIP - VEHICLES

Description	Dept	Funding Source	Req Total Project	2016 Actual	2016-2017 Carry Over	2017 Approved	2017 adjust	2017 Revised	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate
Electric Distribution													
Digger Truck	Electric	Electric	161,122										
Replace 1998 3/4 Ton Utility Pickup	Electric	Electric	39,938	39,938									
Replace 1987 Chipper Truck	Electric	Electric	35,000			35,000	(35,000)			35,000		180,000	30,000
Replace 2006 Freightliner Big Bucket	Electric	Electric	180,000										
Replace 2009 Ford F-350	Electric	Electric	30,000										
Replace 2008 Ford F-650 Small Bucket	Electric	Electric	-										
Replace 2011 International Digger	Electric	Electric	-										
Subtotal			\$ 476,060	\$39,938	\$ -	\$ 35,000	\$ (35,000)	\$ -	\$ -	\$ 65,000	\$ -	\$ 180,000	\$ 30,000
Sewer													
Replace Plant Truck	Sewer	Sewer	15,000			15,000	(15,000)			15,000			
Replace 2001 Ford Ranger			17,000							17,000			
Subtotal			\$ 32,000	\$ -	\$ -	\$ 15,000	\$ (15,000)	\$ -	\$ -	\$ 32,000	\$ -	\$ -	\$ -
Golf Course													
Work Truck	Golf	CIP-Gen	11,503										
Subtotal			\$ 11,503	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL			\$ 1,488,182	\$59,454	\$ -	\$ 600,000	\$ (486,075)	\$ 1,114,684	\$ 87,000	\$ 204,000	\$ 204,000	\$ 299,000	\$ 240,000

RESOLUTION NO. ____

A RESOLUTION PROVIDING FOR THE APPROPRIATION, BY FUND, OF THE BUDGET OF THE CITY OF OSAWATOMIE FOR THE YEAR BEGINNING JANUARY 1, 2018; AND APPROPRIATING MONEY FROM THE VARIOUS FUNDS TO PAY PAYROLLS AND CLAIMS AGAINST THE CITY OF OSAWATOMIE FOR THE CALENDAR YEAR 2018.

WHEREAS, on August 24, 2017, the City of Osawatomie, Kansas approved the annual budget as shown on official State of Kansas budget forms and subject to notice of hearing and public hearing was approved, adopted and appropriated, by fund as the maximum amounts to be expended for the year starting January 1, 2018; and

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Osawatomie, Kansas:

SECTION ONE. That the 2018 budget of the City of Osawatomie, as adopted, shall constitute an appropriation of the money so budgeted, and the City Manager shall be authorized to adjust all salaries, including exempt positions, to pay payrolls and claims as provided in said budget of the City of Osawatomie; provided that all such payments made shall be deducted from the accounts so appropriated and that the total of payment made shall not exceed the amount appropriated.

SECTION TWO. That the City Manager shall establish regulations as to the manner of payment of the periodic dates on which payrolls and claims shall be paid, provided, that all employees of the City of Osawatomie shall be paid biweekly and no payroll or claim shall be paid until it has been approved by the City Manager and the City Clerk.

SECTION THREE. That the payment of payrolls and claims shall be by warrant checks as provided by law and such warrant checks shall be signed by two of the following; the City Manager, the City Clerk, the Assistant City Clerk, or the Mayor. All such warrant checks issued in payment of payrolls and claims shall be delivered to the officers, employees, agents, vendors and other claimants of the City by the City Clerk and that it shall be his/her duty to maintain a record of all warrant checks so delivered.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas this 24th day of August, 2017, a majority being in favor thereof.

APPROVED AND SIGNED by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: August 24, 2017

AGENDA ITEM: **Grocery Store Agreements**

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: Attached are two draft agreements to implement the grocery store purchase and storage discussed at the August 10 Council meeting.

Storage Agreement. The storage agreement with Mike Moon has been agreed to in principle. The most recent draft is attached. The general items are:

1. Store the equipment in the store for \$1,000 a month credit against his utility bill, until a sold or transfer of ownership.
2. The City will have access to the equipment with 4-hours' notice or we can work out an arrangement with Mike for the key.
3. The City will pay for utility usage when the City has to turn on the equipment or provide climate control.
4. Provides 60 days for the City to move its equipment to a new location should the store be sold for another purpose.
5. Requires the City to have insurance on the property in the building and liability insurance for when we access it.
6. The City can opt out of the agreement with a 30-day notice.

Purchase Agreement. A purchase agreement has been provided to Windsor Advantage. That draft is attached. The general items are:

1. The purchase price is \$150,000.
2. The closing date for the purchase is September 20, 2017.
3. The City is responsible for rent and insurance as of September 1, 2017.
4. The equipment is listed as an Exhibit in the agreement.
5. Taxes are prorated.

COUNCIL ACTION NEEDED: The Council should consider the attached agreement.

STAFF RECOMMENDATION TO COUNCIL:

Storage Agreement. Staff recommends the Council approve the City Manager to sign the storage agreement, subject to any technical or non-monetary changes, subject to the final approval of the City Attorney.

Purchase Agreement. Staff recommends the Council approve the Mayor to sign the purchase agreement, subject to any technical or non-monetary changes, subject to the final approval of the City Attorney.

Date: August ___, 2017

STORAGE AGREEMENT

This Agreement made this ___ day of August 2017 by and between _____ (hereinafter “Owner” or “Landlord”) and the City of Osawatomie, Kansas, a Kansas municipal corporation (hereinafter “City”).

Whereas, Owner owns real property located at 701 6th Street, Osawatomie, Kansas 66064, formerly known as Moon’s Hometown Market, and said property is herein referred to as the “Building”; wherein lies equipment previously owned by Ron’s Country Market and soon to be in the possession and control of the City; and said equipment possessed by the City is referred to hereinafter as the “Equipment”.

Whereas, the City is acquiring the Equipment in order to keep the Equipment from being sold and removed from the Building, thereby reducing the value of the current grocery store operation and reducing the chances of the community being able to attract a new grocery store operator to the community; and action which is mutually beneficial to all parties.

Whereas, in consideration of the compensation provided by this agreement, the mutual promises set forth herein and other valuable consideration, the Owner agrees to allow for the storage of the Equipment in the Building upon compliance with the terms of this agreement.

Now Therefore the Parties agree as follows:

1. **STORAGE OF EQUIPMENT.** The Landlord agrees to allow the storage of the Equipment in the Building where it is currently placed and connected, with the Landlord having the right to move other non-connected or construction Equipment within the Building according to the terms set forth in this agreement.
2. **TERM.** The term of this agreement shall be for a period of two years beginning on September 1, 2017 and ending on August 31, 2019.
3. **CONSIDERATION.** In lieu of payments to the Landlord and as consideration for this storage agreement, the City will agree to credit \$1,000 per month of the utility bill owed to the City by the Landlord for charges incurred prior to the operation of the Building by Ron’s Country Market. The charges will be credited each month until the balance is eliminated or the building’s ownership is transferred. Furthermore, no additional interest charges will be applied to the outstanding balance referenced herein. The consideration paid to Landlord during the term of this agreement shall be the sole payment charged by Landlord for storage of the Equipment. Landlord agrees that it will not charge any other entity for charges related to storage of the Equipment during the term of this agreement.

4. **ACCESS TO EQUIPMENT.** The City shall have access to Equipment at any time requested by City. Access shall be granted to City either by the Landlord furnishing a key to the Building or in lieu of furnishing a key to the City, the City may request and inventory and inspection of Equipment at any time between the hours of 7 AM and 10 PM, with at least four-hours' notice to the Owner. The City shall have the use of the Equipment during the term of this Agreement for any lawful purpose not prohibited by this agreement. The City may require that the equipment be powered and also require some climate control. In such cases, the City will either take responsibility for the utility bills associated with the Building or the City will calculate the expected usage resulting from the power or climate control and provide an additional credit to the Landlord's utility bill for that period.

The City agrees to at all times during the term of the agreement to comply with all applicable laws, ordinances, rules, and regulations of the City of Osawatomie and State of Kansas. The City shall not use the Equipment in the Building for any purpose which would constitute an environmental hazard under the Laws of the State of Kansas or the United States of America. Both parties acknowledge that it is the intent of the City to maintain the equipment in a good, useable condition in order to make the Building more marketable to a new operator. The City agrees that in connection with use of the property for such municipal purposes, if it shall be necessary for the Landlord to approve such use, Landlord will not unreasonably withhold such approval.

In connection with the storage and operation of the Equipment, the City shall not make any changes to or modify the Building without the written approval of the Landlord.

5. **MAINTENANCE OF THE EQUIPMENT.** The City shall have sole responsibility and right to maintain the Equipment while stored at the Building. The Landlord shall not interfere with the City's ability to maintain or operate the Equipment for such purposes.
6. **ADDITIONAL SERVICES.** None will be provided by Landlord. The City agrees that during the term of the Agreement to maintain insurance covering any damages to the Equipment and also to maintain insurance covering any damages or injuries sustained by any person lawfully in the Building for purposes of accessing the Equipment.
7. **AUTOMATIC TERMINATION.** This Agreement, if not previously terminated, shall automatically expire at the end of the term specified.
8. **AGREEMENT WITH KANSAS LAW.** This Agreement shall be subject to, governed by, and construed according to the laws of the State of Kansas.
9. **BINDING EFFECT.** The terms and conditions of this Agreement shall be binding upon the parties, their agents, administrators, or legal successors.
10. **RESPONSIBILITY FOR TAXES.** It shall be the responsibility of the City to pay all taxes, fees, and assessments which may be imposed or levied upon the Equipment during the term of this Agreement. Landlord shall not be responsible for any taxes, fees, or

assessments which may be imposed or levied upon the Equipment during the term of the Agreement or for any real property taxes assessed to the owner of the building City agrees to indemnify and hold harmless Landlord for any taxes levied against the Equipment during the term of this Agreement.

11. **LIABILITY FOR DAMAGES.** City agrees to hold harmless and indemnify Landlord from any and all claims that are brought or maintained by third parties against City by reason of the acts or omissions of the City that are directly related to City's use of the Property to store the Equipment during the term of this Agreement.

12. **TERMINATION PRIOR TO EXPIRATION OF TERM**

- (a) Notwithstanding the length of the term of this agreement, Landlord may terminate this Agreement prior to the expiration of the term of the Agreement upon the City's failure to comply with the terms of this Agreement or use of the Property where the Equipment is stored in a manner not authorized by this Agreement by providing a thirty-day (30) written notice to the City.
- (b) Notwithstanding the length of the term of this agreement, should the Landlord sell the property to another party, at fair market value for the use of the store as a retail space, the Landlord may terminate this Agreement prior to the expiration of the term of the Agreement upon sixty-days (60) written notice to the City.
- (c) Notwithstanding the length of term of this agreement, the City may terminate this Agreement prior to the expiration of the term of the Agreement upon providing a thirty-day (30) written notice to the Landlord.
- (d) Notices referenced under this section shall be sent to the following addresses:

LANDLORD

Mike Moon
111 Rohrer Heights
Osawatomie, KS 66064

CITY

City of Osawatomie
c/o City Manager
Osawatomie City Hall
PO Box 37, 439 Main Street
Osawatomie, KS 66064

13. **AGREEMENT SUBJECT TO CASH BASIS LAW.** This agreement is subject to the Kansas Cash Basis Law. Kansas Statutes Annotated Sections 10-1101 through Section 10-1122. Accordingly, the parties agree that the Landlord is obligated only to pay periodic payments under the agreement as may lawfully be made from (a) funds budgeted and appropriated for that purpose during such municipality's current budget year or (b) funds made available from any lawfully operated revenue producing source. In the event that this Agreement is not funded by the City, the Agreement will terminate at the end of the current month in which the payment is not funded without further recourse by Landlord.

14. **MODIFICATION.** This agreement can be modified only by a written agreement signed by both parties.
15. **ASSIGNMENT.** The City shall not voluntarily, involuntarily, or by operation of law, assign this Agreement in whole or in part without the prior written consent of Landlord. The consent by Landlord to any assignment shall not constitute a waiver of the necessity for such consent in any subsequent assignment. Subject to the City's right to store the Equipment in the Property as set forth in this agreement, Landlord shall have the right to sell, convey, transfer or assign its interest in the Property. All covenants and obligations of the City under this Agreements shall cease upon the execution of such conveyance, transfer or assignment, but such covenants and obligations shall run with the Property and shall be binding upon the subsequent owner or owners thereof or of the Agreement.
16. **MECHANIC'S LIENS.** The City will not permit any mechanic's lien or liens to be placed upon the Property that relate to the storage of the Equipment. In the event any such lien is attached to the Premises, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the same. Any amount paid by Landlord for any of the aforesaid purposes shall be paid by the City to Landlord on demand.
17. **INSURANCE.** The City shall maintain insurance on the Equipment. The City shall be solely responsible for and insure any loss sustained by the City associated the City's use of the Property for the purposes stated under this Agreement. Landlord shall have no obligation or responsibility for any loss sustained by the City or any person using the Property in any way related to the City's use of the property during the term of this Agreement. Landlord shall maintain insurance on the building during the term of this agreement and shall provide proof of such coverage to City during the term of this Agreement. City or its insurer shall have no responsibility for any damage to the building that is not related to storage of the Equipment.
18. **HOLD HARMLESS.** Landlord shall not be liable to the City, or to the City's agents, servants, employees, customers, or invitees for any injury to person or damage to property caused by any act, omission, or neglect of City, its agents, servants, or employees, invitees, licensees or any other person entering the Property during the term of this Agreement or arising out of the use of the Property by the City. City hereby agrees to hold Landlord harmless from all liability and claims for any such damage or injury related to use of the Property for storage of the Equipment during the term of this agreement.
19. **EVENTS OF DEFAULT REMEDIES.**
 - (a) The following events shall be deemed to be events of default by City under this Agreement:
 - (i) City shall fail to compensate the Landlord according to this agreement following thirty (30) days written notice thereof and opportunity to cure; (ii) City shall fail to comply with any non-monetary provisions of this Agreement or any other agreement between Landlord and City all of which terms, provisions and covenants shall be deemed material within thirty (30) days following written notice thereof and opportunity to cure; provided, however, to the extent such non-monetary default cannot be cured within such 30-day time

period, City shall not be deemed in default as long as City has commenced its efforts to cure such default and diligently pursues the same; (iii) the leasehold hereunder demised shall be taken on execution or other process of law in any action against City; (iv) City files a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof; or a petition shall be filed against City under any such statute by any party other than Landlord or (vi) as part of any Bankruptcy or insolvency proceeding a receiver or trustee shall be appointed for City's leasehold interest in the Premises or for all or a substantial part of the assets of City (the mere appointment of a receiver or trustee as part of any civil litigation shall not constitute a default under the terms of this agreement).

- (b) Upon the occurrence of any event or events of default by City, as enumerated in Paragraph 22(a) above, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand for possession whatsoever: (i) terminate this Agreement in which event City shall immediately remove the Equipment from the Property to Landlord; (ii) terminate City's right to occupy the Property and re-enter and take possession of the Property (without terminating this Agreement); (iii) enter upon the Premises and do whatever City is obligated to do under the terms of this Agreement; and City further agrees that Landlord shall not be liable for any damages resulting to the City from such action; and (iv) exercise all other remedies available to Landlord at law or in equity, including, without limitation, injunctive relief of all varieties.

All Landlord's remedies shall be cumulative and not exclusive. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default.

20. **PEACEFUL ENJOYMENT**. The City shall, and may peacefully have, hold, and enjoy the Property, subject to the other terms hereof, provided that City pays the consideration herein recited to be provided by the City and performs all of City's covenants and agreements herein contained. This covenant and any and all other covenants of Landlord shall be binding upon Landlord and its successors only with respect to breaches occurring during its or their respective periods of ownership of the Landlord's interest hereunder.
21. **NOTICE**. Any notice in this Agreement provided for must, unless otherwise expressly provided herein, be in writing, and may, unless otherwise in this Agreement expressly provided, be given or be serve by depositing the same in the United States mail, postpaid and certified and addressed to the party to be notified, with return receipt requested, or by delivering the same in person to an officer of such party, addressed to the party to be notified at the address stated in this Agreement or such other address notice of which has been given to the other party. Notice deposited in the mail in the manner herein above described shall be effective from and after the expiration of three (3) days after it is so deposited.
22. **SEVERABILITY**. If any term or provisions of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not

PURCHASE AGREEMENT

This Agreement, is made and entered into this _____ day of August, 2017, (the "Signature Date") between _____ (hereinafter referred to as "Seller"), owner of the Equipment, and the City of Osawatomie, Kansas, a Kansas municipal corporation (hereinafter referred to as the "Purchaser").

WHEREAS, the Seller owns equipment, including, but not limited to: coolers, freezers, shelving, checkout counters, point of sale (POS) system, food processing support equipment, and other miscellaneous equipment related to the operation of a grocery store, which is currently located and stored in the former Ron's Country Market grocery store located at 701 Sixth Street, Osawatomie, Kansas (the "Equipment"); and

WHEREAS, the Seller in furtherance of this Purchase Agreement desires to sell and/or assign to Purchaser all of Seller's rights, title and interest in and to certain Equipment, listed in **Exhibit A**, collectively referred to as the "Equipment"; and

WHEREAS, Purchaser desires to purchase and acquire the Equipment in accordance with the terms and conditions set forth in this Purchase Agreement.

NOW, THEREFORE, in consideration of the premises as well as the parties' respective promises, representations, covenants and warranties, the performance of each unto the other, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **SALE OF EQUIPMENT.** Upon the terms and subject to the conditions herein, Seller agrees to sell assign, transfer, convey and deliver to Purchaser, and Purchaser agrees to purchase (as is and where is), accept and receive all of Seller's right, title and interest in and to all Equipment as listed on **Exhibit A**, attached hereto and a part hereof
 - 1) Seller's interest in the Equipment shall be absolute ownership, free and clear of any liens, debts and encumbrances of any kind.
 - 2) Seller's interest in all shall be conveyed to Purchaser through this Purchase Agreement by Bill of Sale or appropriate conveyance instrument at the Closing, whether Seller's interest is joint or several, corporate or individual, proprietary or leased (to the extent assignable).
2. **PURCHASE PRICE.** The aggregate purchase price for the Equipment shall be One Hundred Fifty Thousand Dollars (\$150,000.00), payable in cash or cashiers check at time of Closing. Payments shall be made to Seller.
3. **CONTINGENCIES.** The Equipment shall be conveyed to Purchaser at (the "Closing") only upon completion of the following conditions: (i) the Equipment to be assigned to Purchaser have been reviewed and approved by Purchaser and any necessary consents to

Seller's assignment to Purchaser have been obtained, (ii) this Purchase Agreement and the attached exhibits are initialed and signed by all the parties hereto; and (iii) Purchaser has obtained the financing to complete the purchase

4. **DATE OF CLOSING AND POSSESSION.** Seller shall deliver and Purchaser shall assume possession of the Equipment (the "Date of Possession") on September 20, 2017, or as the parties otherwise agree.
5. **BILL OF SALE.** Seller shall execute and deliver to Purchaser on the Closing Date, a Bill of Sale for the Equipment substantially in the form of **Exhibit B**, attached hereto and made a part hereof. Seller disclaims all implied warranties including the implied warranties of fitness for a particular purpose and merchantability of the Equipment. The disclaimer of implied warranties, however, does not negate the express warranties as described herein.
6. **TAXES.** If any tax, including state or local sales tax, transfer or use tax or documentary stamp tax is due or becomes due as a result of the sale of the Equipment, then all such taxes (except for any income taxes resulting from this sale and any sales and/or transfer taxes owed by Seller resulting from any applicable statutes for this sale, if any) shall be paid by Purchaser as and when required.
7. **PRO-RATED EXPENSES AND LIABILITIES.** Seller shall pay for all outstanding taxes, and expenses for the Equipment incurred prior to the Date of Possession, regardless of when due; Purchaser shall be solely responsible for such expenses incurred on and after the Date of Possession.
 - A. If applicable, any ad valorem and personal property taxes, and any pre-paid expenses paid by Seller for the year in which the Date of Possession occurs shall be pro-rated between Seller and Purchaser as of the Date of Possession.
 - B. Except that the Purchaser shall be responsible for the rent and insurance on the equipment as of September 1, 2017. Prior to September 1, 2017, the Purchaser will provide the Seller with (i) proof of an equipment storage agreement with the owner of the store where the Equipment is currently stored or the Purchaser will take full responsibility for all rental costs associated with the storage, and (ii) the Purchaser shall provide to the Seller proof of insurance on the Equipment appraised value thereof. for the replacement costs thereof.
8. **SELLER'S WARRANTIES.** Except where otherwise provided to the contrary in this Purchase Agreement or any of the attached exhibits, Seller acknowledges that Purchaser is not assuming any liability and/or obligation of Seller.
 - A. Seller further warrants that on the Signature Date and at Closing:

- (i) Seller has the necessary power, authority and capacity to enter into this Purchase Agreement and carry out Seller's obligations contemplated hereby, without the necessity of any act or consent of any other person or entity, and that this Purchase Agreement constitutes a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms;
 - (ii) Seller is the lawful owner of the Equipment and that Seller has good, valid and marketable title to said Equipment and the Equipment is at Closing free and clear of any liens, claims, equities, charges, options, security interests or encumbrances of any nature whatsoever.
 - B. Seller warrants that the execution and delivery by Seller of this Agreement and the documents contemplated herein, as well as the consummation by Seller of the transactions contemplated thereby, do not and will not (i) violate the terms of any instrument, document or agreement of which Seller is a party, or by which Seller or the property of Seller is bound, or be in conflict with, result in a breach of or constitute (upon the giving of notice, lapse of time or both) a default under any such instrument, document or agreement, or result in the creation of any lien upon any of the Equipment,
 - C. Seller warrants that there is no claim, suit, action, arbitration, or legal, administrative, or other proceeding, or governmental investigation, pending or, to the best of Seller's knowledge and belief, threatened, against or affecting the Equipment. Seller shall not be at Closing in default with respect to any order, writ, injunction, or decree of any federal, state, local or foreign court, department, agency or instrumentality; and that there are no facts or circumstances that might lead to a claim nor has any claim been made by any third party relating to the Equipment which would give rise to a claim or proceeding to which Purchaser or the Equipment would be subject after the Date of Possession.
- 9. **PURCHASER WARRANTIES.** Except to the extent otherwise set forth in this Purchase Agreement, Purchaser acknowledges, warrants and agrees:
 - A. That, prior to the signature date, Purchaser has independently examined to Purchaser's complete satisfaction, the value of all of the Equipment and, except for Seller's warranties set forth in this purchase agreement relating to the working condition and title of the Equipment as is on the closing date, solely upon purchaser's independent examination at that time, without any presentation or warranty, expressed or implied, from seller as to the value, condition and/or merchantability of the Equipment, other than those representations set forth by seller in Section 8 above. Purchaser agrees that, following the date of possession, Seller shall have no further responsibility or liability Purchaser related to the condition of the Equipment except for a breach of Seller's warranties of title and/or any other warranties contained in this Purchase Agreement.

- B. Purchaser shall at Closing have secured appropriate and necessary financing of the Purchase Price.
10. **ATTORNEYS.** The parties acknowledge that each have been represented by independent legal counsel in this transaction.
11. **RISK OF LOSS.** It is agreed by the parties that the Seller assumes all risk of loss, injury, or destruction of any and/or all Equipment sold hereunder, by any cause whatsoever, prior to the Closing. In the event of such a loss, the Purchase Price of the equipment, shall be reduced by the amount of such loss, and Seller shall be entitled to retain any insurance proceeds for such loss. It is further agreed by the parties that Purchaser assumes the risk of loss, injury, or destruction of any and/or all Equipment sold hereunder, by any cause whatsoever, at all times subsequent to the Closing.
12. **AGREEMENT BINDING.** The Agreement contains all the terms and conditions agreed upon by the parties and no other contracts, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind any of the parties hereto. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective heirs, personal representatives, successors, and assigns.
13. **FEES AND COSTS.** In the event either party hereto shall commence action against the other for enforcement or breach of any of the terms and conditions of this Agreement, the party in whose favor final judgment shall be entered shall be entitled to recover from the other party their costs and reasonable attorney's fees.
14. **SEPARATION OF PROVISIONS.** Each provision of this Agreement shall be considered separable if, and to the extent that, any provisions of this Agreement are determined by a court of competent jurisdiction to be invalid, and if after deleting such invalid or contrary provisions, the mutual considerations among the parties to this Agreement are not materially altered, then the disregarding of such provisions shall not significantly impair the operation or effect of the portions of this Agreement that are valid.
15. **NOTICES.** Any notice required to be given pursuant to the terms of this Agreement shall be in writing. The notice will be deemed given on the date sent, postage prepaid, by registered or certified mail. Notice will be sent as follows:

To Seller: _____

To Purchaser: City of Osawatomie
 c/o City Manager
 PO Box 37, 439 Main Street
 Osawatomie, KS 66064

Or as otherwise subsequently directed by each party in writing.

16. **ENFORCEMENT OF AGREEMENT.** This Agreement shall be interpreted and enforced in accordance with the laws of the State of Kansas. If any provisions of this Agreement are determined to be unenforceable by a court of competent jurisdiction, such provisions shall be deemed severable and this Agreement may be enforced with such provisions severed, or as modified by the court.
17. **AMENDMENT AND MODIFICATIONS.** Seller and Purchaser may amend, modify and supplement this Agreement in such manner as may be mutually agreed by them in writing.
18. **HEADINGS.** The section headings used in this Agreement are for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.
19. **EXHIBITS.** All exhibits referenced herein are incorporated as a part of this Agreement by reference thereto.
20. **INDEMNITY FOR SELLER'S & PURCHASER'S WARRANTIES.** Seller and Purchaser each agree to indemnify and hold the other party harmless for any damage resulting from a breach of Seller's or Purchaser's warranties, including the indemnified party's legal fees and costs.

IN WITNESS WHEREOF, the undersigned have set their signatures on the day and year first written.

PURCHASER: _____ Witness

L. Mark Govea, Mayor Date Tammy Seamands, City Clerk Date

SELLER: _____ Witness

Name of Signee, Title Date Name, Title Date

Exhibit A
Equipment

Ref #	Qty	Description	Make	Year	Model	Serial/VIN
701 6th Street, Osawatomie, Kansas						
1	1	FRYER, 2 SECTION, 25 LB., WITH BASKETS AND GREASE TRAP, GREASE REMOVAL TRAY AND RECIRCULATION SYSTEM, TOUCH PAD CONTROL	AUTO FRY	2009		
2	1	COMBI STEAM RACK OVEN, 2 TIER, TWO DOOR AND CONTROLS	RATIONAL	2009	CN102	E12MA97099904
3	1	STACKED ROTTISERIE/WARMING OVEN, ELECTRIC	REVOLVING OVEN		3RW	2605
4	1	RACK OVEN, 2 TIER, TWO DOOR AND CONTROLS	SUPERIOR			
5	1	WALK IN COOLER, 10' X 8' X 10', 4 FAN CONDENSER, COMPRESSOR, EXPLOSIVE PROOF LIGHTING	CROWN TONKA	2012	E61951	251785-01
6	1	WALK IN FREEZER, 10' X 8' X 10', 4 FAN CONDENSER, COMPRESSOR, EXPLOSIVE PROOF LIGHTING	CROWN TONKA		FC	6009-1008
7	1	WALK BEHIND FORK LIFT TRUCK, 2000 LB. CAPACITY, ELECTRIC WITH BATTERY CHARGER	OTIS		EFW-L	M94170
8	1	VERTICAL CARDBOARD BALER, HYDRAULIC, 75" CAPACITY, DOWNACTING	MUNCHER			
9	1	WALK IN COOLER, 10' X 8' X 8', 4 FAN CONDENSER, COMPRESSOR, EXPLOSIVE PROOF LIGHTING	CROWN TONKA			
10	1	WALK IN COOLER, 15' X 8' X 8', CONDENSER, COMPRESSOR, EXPLOSIVE PROOF LIGHTING	MFG UNKNOWN			
11	1	WALK BEHIND FLOOR SCRUBBER, ELECTRIC, WITH BATTERY CHARGER	ADVANCE		SC450	
12	1	WALK IN COOLER, 10' X 8' X 8', 4 FAN CONDENSER, COMPRESSOR, EXPLOSIVE PROOF LIGHTING	HUSSMAN			
13	1	MEAT GRINDER, 5 HP., 1725 RPM, CONTROLS, STAINLESS STEEL CONSTRUCTION	HOBART	1983	4146	11-283-G14
14	1	WALK IN COOLER, 30' X 10' X 8', CONDENSER, COMPRESSOR	HUSSMAN			
15	1	DISPLAY ROTARY TRAY WARMING OVEN, ELECTRIC, 4 TIER	ALTO SHAAM		HALO HEAT	1557-114-CHA5DM
16	1	MEAT GRINDER	BIRO		772	F96 880
17	1	VACUUM TUMBLER, TABLE TOP, ELECTRIC, 45 LB CAPACITY	HOLLYMATIC		HVT50	802D

Ref #	Qty	Description	Make	Year	Model	Serial/VIN
18	1	VERTICAL BAND SAW, 24", STAINLESS STEEL, 24" X 24" TABLE	HOBART	1997	5801	27-104-897
19	1	DEEP FRYER, 100 LB., WITH BASKET AND GREASE TRAP, GREASE REMOVAL TRAY AND RECIRCULATION SYSTEM	ANETS			
20	1	WALK IN DISPLAY COOLER, 20' X 20' X 12', 6 DOORS, CONDENSERS, COMPRESSOR, DISPLAY WIRE RACKS FLOOR MOUNTED	MFG UNKNOWN			
21	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	ZERO ZONE	2009	4YRCC30	0902-1043003NA
22	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	ZERO ZONE	2009	4YRCC30	0902-1043002NA
23	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	ZERO ZONE	2009	4YRCC30	0902-1043001NA
24	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	ZERO ZONE	2009	4YRCC30	0902-1043000NA
25	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ORC25	1407420
26	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ORC25	140369
27	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ORC25	140370
28	1	8 FLAVOR SODA DISPENSER AND SINK, WITH PUMPS AND REGULATORS	CORNELIUS	2006	ED200	62801-45E0661
29	1	CHEST TYPE 4TIER ELECTRIC FOOD DISPLAY WARMING RACK, CONTROLS, PORTABLE	ATLANTIC	2003	CUSTOM	AS25716PH101216
30	1	CHEST TYPE PRODUCE DISPLAY COOLER, 3 TIER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	D3UM1 (NRG)	101216
31	1	CHEST TYPE PRODUCE DISPLAY COOLER, 3 TIER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	D3UM1 (NRG)	101215
32	1	DISPLAY COOLER/FREEZER, SLIDING GLASS DOORS, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	DRZ2	1407363

Ref #	Qty	Description	Make	Year	Model	Serial/VIN
33	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONRB12	1400882
34	1	CHEST TYPE PRODUCE DISPLAY COOLER, 3 TIER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	DHP12 (NRG)	1394548
35	1	CHEST TYPE PRODUCE DISPLAY COOLER, 3 TIER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	DHP12 (NRG)	1394604
36	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ORC25	1406337
37	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ORC25	1406336
38	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ORC25	1406346
39	1	CHEST TYPE PRODUCE DISPLAY COOLER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	OM12	1402703
40	1	CHEST TYPE PRODUCE DISPLAY COOLER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	O5M12 (NRG)	1402511
41	1	CHEST TYPE PRODUCE DISPLAY COOLER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	O5M12 (NRG)	1402512
42	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONR1Z5	2011073
43	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONR1Z5	2011075
44	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONR1Z5	2011076
45	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONR1Z5	2011074
46	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONR1Z5	2011074-B
47	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONR1Z5	2011075-B

Ref #	Qty	Description	Make	Year	Model	Serial/VIN
48	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONR1Z5	2011076-B
49	1	DISPLAY COOLER/FREEZER, 5 SECTION, ADJUSTABLE TIERS, FLUORESCENT LIGHTING, COMPRESSOR AND CONDENSER FANS	HILLPHOENIX	2012	ONR1Z5	2011073-B
50	1	DISPLAY CHEST TYPE COOLER/FREEZER, 10' X 4' X 3' DEEP, CONDENSER FANS AND COMPRESSOR	HILLPHOENIX	2012	ONIZ8	1399831
51	1	DISPLAY CHEST TYPE COOLER/FREEZER, 15' X 8' ' DEEP, CONDENSER FANS AND COMPRESSOR	HILLPHOENIX	2012	OIPB5	1410559
52	1	CHEST TYPE PRODUCE DISPLAY COOLER, 3 TIER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	DHP12 (NRG)	1394549
53	1	CHEST TYPE PRODUCE DISPLAY COOLER, 3 TIER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	DHP12 (NRG)	1394552
54	1	CHEST TYPE PRODUCE DISPLAY COOLER, 3 TIER, PUMPS, CONDENSER FANS	HILLPHOENIX	2012	DHP12 (NRG)	1394557
55	1	DISPLAY COOLER, 2 DOOR	HILLPHOENIX	2012		1402511
56	1	CHECKOUT COUNTER, PRODUCE BELT, SCALE, COUNTER, BAGGING AREA, BAG CADDIES, WITH MONITOR	REYNOLDS		UL-1 SERIES	5120
57	1	CHECKOUT COUNTER, PRODUCE BELT, SCALE, COUNTER, BAGGING AREA, BAG CADDIES, WITH MONITOR	REYNOLDS		UL-2 SERIES	11611
58	1	CHECKOUT COUNTER, PRODUCE BELT, SCALE, COUNTER, BAGGING AREA, BAG CADDIES, WITH MONITOR	REYNOLDS		UL-2 SERIES	11614
59	1	CHECKOUT COUNTER, PRODUCE BELT, SCALE, COUNTER, BAGGING AREA, BAG CADDIES, WITH MONITOR	REYNOLDS		UL-2 SERIES	11612
60	1	CHECKOUT COUNTER, PRODUCE BELT, SCALE, COUNTER, BAGGING AREA, BAG CADDIES, WITH MONITOR	REYNOLDS		UL-2 SERIES	11613
61	LOT	POS SYSTEM TO INCLUDE: (7)-NCR RECEIPT PRINTERS, (4)-ACER V173 SWIPE MONITORS, CREDIT CARD KEYPADS, CASH REGISTERS, NCR POS NETWORKING COMPUTER, CPUS, KEYBOARDS, BAR CODE SCANNING OPTICS, HAND HELD BAR CODE SCANNERS				

Ref #	Qty	Description	Make	Year	Model	Serial/VIN
62	LOT	MISCELLANEOUS FOOD PROCESSING SUPPORT EQUIPMENT TO INCLUDE, (2)- MEAT SLICERS, (10)- STAINLESS STEEL WORK TABLES, (12)- STAINLESS STEEL WIRE RACKS, (4)-HAND SINKS, (3)-3 COMPARTMENT DEEP SINKS, DISHWASHING TABLES, 2 TIER CARTS, WARMING CABINET, RACK OVENS, CUTTING TABLES, SCALES, PAN RACKS, FOOD STORAGE CABINETS, SHELVING, BAG SEALERS WITH OVERWRAPPERS, KITCHEN UTENSILS, KNIVES, DOLE PINEAPPLE PEELER, HAND TOOLS				
63	LOT	MISCELLANEOUS STORE FF&E TO INCLUDE: APPROXIMATELY (250)- ADJUSTABLE GONDOLA DISPLAY RACKS, GONDOLA UPRIGHTS AND SHELVING, DISPLAY BOXES, DISPLAY RACKS, COFFEE BEAN DISPENSER, COFFEE BEAN GRINDER, (54)-VARIOUS SIZED SHOPPING CARTS, MARTSEAT XII12 ELECTRIC SHOPPING CART, WARMING DISPLAY, TRACK LIGHTING, SAFES, WIRE DISPLAY SHELVING				
64	LOT	MISCELLANEOUS EQUIPMENT THROUGHOUT STORE TO INCLUDE: DESKS CHAIRS, CPUS, MONITORS, KEYBOARDS, FAX MACHINE, PRINTER, FLAT CARTS, RUBBERMAID UTILITY CARTS, ADJUSTABLE PALLET RACKS, WOODEN SHELVING, BUFFER, DISPLAY TABLE, DISPLAY RACKS, LADDERS, PLASTIC TUBS, HAND PALLET JACK, FANS, SECURITY SYSTEM AND CAMERAS, PLASTIC TABLE, CHAIRS				



Exhibit B

BILL OF SALE

THIS BILL OF SALE, is made as of _____, 2017 by _____ ("Seller"), in favor of The City of Osawatomie, Kansas (a Kansas municipal corporation) ("Purchaser").

WITNESSETH:

WHEREAS, Seller and Purchaser have entered into that certain Purchase Agreement dated the date hereof (the "Agreement"), whereby Seller has agreed to sell, convey, transfer, assign and deliver, and Purchaser has agreed to accept, the Seller's Equipment (as such term is defined in the Agreement) on the terms described in the Agreement; and

WHEREAS, in performance of its obligations under the Agreement, Seller desires to execute and deliver this Bill of Sale to Purchaser to transfer all of Seller's right, title and interest in and to the Equipment to Purchaser.

NOW, THEREFORE, for and in consideration of the mutual promises contained in the Agreement and other good and valuable consideration, Seller does hereby grant, sell, bargain, convey, assign, transfer and deliver the Equipment listed on **Exhibit A** of the parties' PURCHASE AGREEMENT, which is incorporated herein by reference and is a part hereof, unto Purchaser and its successors and assigns forever. Seller hereby represents and warrants to Purchaser that (1) it is the sole lawful owner of the Equipment; (2) it has the free and unrestricted right to sell the same; (3) the Equipment is free and clear of all liens, claims and encumbrances of any nature whatsoever; (4) it has good title to all the Equipment; and (5) it will defend title to the Equipment hereby transferred, and indemnify and hold harmless Purchaser against all claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, the parties hereto have executed this Bill of Sale in favor of _____ as of the date first above written.

By: _____

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: August 24, 2017

AGENDA ITEM: Grocery Store Purchase/Incentive FAQs

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: Since there have been many questions about the proposed purchase of grocery store equipment, the incentive plan and issues about the future of a grocery store in Osawatomie in general, I decided it might be best to create some FAQs to answer many of these questions.

Q: Why buy the equipment at all?

A: The City believes that once the equipment is removed, the odds of attracting a new owner to the City drop greatly. The equipment, which is appraised for \$360,000, can be purchased at a much-reduced price, and makes the store a more move-in-ready proposition for a new owner. While the building may still have some drawbacks as to size, efficiency and age, we could not come up with a scenario where moving to a more efficiently sized building would be cost-effective to getting a store open in the current economic market.

Q: Is the City buying the equipment to bail out Mike Moon?

A: No. When Mike Moon sold the equipment to Ron's Country Market a year ago, it was part of his lease agreement with former owner Ron Kleier as he prepared to open the store last August. Ron took that equipment, as well as newly purchased equipment, and rolled it into one loan. When Ron closed his doors in February of this year, the loan company foreclosed on his loan. The loan company's broker is Windsor Advantage, LLC, which the City is working with to purchase the equipment. If the City doesn't purchase the equipment within the next few months, it will most likely go to auction, where Windsor will sell it to various buyers, who will remove it from the store.

Q: Can the equipment be moved to a new store if a new operator wants it?

A: Yes, but with some caveats. The equipment includes everything in the store that is not permanently attached, including all new reach-in coolers, walk-in coolers and freezers, shelving, butchering and deli equipment - all the way down to the checkout registers and shopping carts. While the coolers and freezers are considered equipment, they are not easily portable, and are custom-made, making them

more difficult to split up or reconfigure. Because of the length of the new cooler and freezer banks, a smaller store might have difficulty trying to accommodate the equipment. Finally, the cost to uninstall, move the equipment, and then reinstall it would easily total around \$150,000.

Q: Is the City overpaying for the equipment?

A: We don't believe so. Early on, one potential operator, made an informal opening offer, and we are purchasing the equipment for that amount. The equipment was recently appraised at \$360,000, and we believe the gently used coolers and freezers alone have a replacement value well-exceeding \$200,000. If we can't attract a new operator, we feel confident in recouping the lion's share of our costs in purchasing the equipment.

Q: What are the hidden costs to the City to purchasing this equipment?

A: The additional costs beyond the purchase price would be insurance, rent, utilities and maintenance. For **insurance**, we expect it to be only a few hundred dollars to add to our policy, if anything at all, until July 1 next year. At that point, when we renew, we may incur a couple of thousand dollars in charges as we add equipment to our City policy. For **rent or storage**, we continue to negotiate that part with Mike Moon. However, our position is that we won't pay cash, but might apply a reasonable amount against the outstanding utility bill for the months he continues to own the building. Since all parties are sharing risk to get the store open by a new owner, we believe that rent will be incidental to the costs. **Utilities** will be paid by the City when utilizing the store. We will be able to track usage on the meter. Currently, the utilities are off. If we need to turn it on for some reason, we won't expect significant bills until we need to turn everything on to prepare to show a prospective owner. **Maintenance** will be done through regular visits and working with experts to determine the best maintenance schedule especially for refrigeration units and compressors.

Q: If the City buys the equipment, is the next move to purchase the building and operate the grocery store?

A: No. This purchase can really be better characterized as a "bridge" until a new operator is identified. There have not only been inquiries, but the fact we are wanting to keep the equipment in the store has piqued the interest of some regional store operators. Most of the interested parties were waiting to see if the equipment could remain in the building and be available at a reasonable cost. We believe this purchase alleviates those concerns. The City is not at all interested in buying the building or operating the grocery store. If an operator cannot be located within a reasonable amount of time, the City believes the equipment, valued at \$360,000, can be sold at auction to recoup the costs.

Q: What is the incentive, and why are we offering in addition to buying the equipment? How much will it cost the City?

A: The incentive is to provide the new operator with \$100,000 during the first five years of operation to help with overhead costs. We believe this is a fair offer since the revenue generated from the store being

open will more than offset the incentive. Currently, there are many small communities across Kansas dying for a grocery store. If all it took to spark interest and attract a buyer was giving up a portion of the currently uncollected revenue over a five-year period, those cities would jump at it. While the incentive is based on helping pay the \$150,000 equipment loan, the reality is that it provides the owner additional capital to overcome the first few years of operation – a period which is typically difficult.

By having a store in operation, the city would not only receive sales tax revenue, but other additional funding, including more than \$30,000 in property taxes and an estimated \$90,000 in utility payments. While the utilities are not all profit, their payments help carry the load of fixed utility costs for all of our customers. Without a store for an extended period of time, rates will have to be increased to offset losses. With this incentive creating an average annual cost to the City of \$20,000, it really costs us nothing. We believe this incentive will not only be more attractive to an operator, but is a much cleaner option than other mechanisms out there. Without the incentive, the profitability of the grocery store, based on our estimates, will be much tougher for the first couple of years.

Bear in mind, these estimates don't even take into account what the store could also offer in property tax revenue to the school district and sales and property taxes to the county. Without a grocery store, property taxes don't get paid, utilities are not consumed, and sales taxes are not generated

Q: Wouldn't it just be better to let a new operator come in on their own in a smaller store, and the City stay out of it?

A: Obviously, if the economic conditions were such that a store could start up and thrive on its own, we would prefer that. However, the continuous closings of rural grocery stores around the United States tells us otherwise. In this case, the start-up costs for a new, more efficient, "right-sized" store would create staggering overhead for an operator. A new building of adequate size would need to be approximately 15,000-18,000 square-feet. Based on our data, a new metal building, similar in size to Dollar General, would cost at least \$70 per square foot or about \$1.1-\$1.35 million. Keep in mind, that figure doesn't even take into consideration purchasing land or equipment, which could easily push it closer to \$2 million.

However, with our proposal, an operator would be able to make a relatively small investment for the equipment and a building, even if it is oversized. A new operator could make changes to the building to make it even more efficient, both for utilities and space. The overhead costs that Mike and Ron were experiencing could be cut by more than half, and likely be 30 percent or less of the expense of a new, smaller building. Based on estimates developed by the American Wholesale Grocers and the City, the overhead savings is enough to make a store viable in our community – according to previous sales levels as well as those while Ron's was in business.

Q: What is a reasonable time the City will work to find an operator before giving up?

A: We believe within six months we will be negotiating with a new operator. If nothing has happened within six months, we will re-evaluate our approach and incentives. We would expect at the 12- to 18-month mark to start making alternative plans. Of course, all of it is contingent on economic conditions.

Q: What happens to the equipment if we can't find a new operator?

At the point that determination is made by the City Council, we would likely put the equipment up for liquidation and try to salvage what we could of the purchase price.

Q: What happens if Mike Moon sells the building for another purpose before we get an operator?

A: The answer to that is that we will negotiate that in the storage agreement with Mike. Most likely we will ask for a certain number of days to move or liquidate the equipment. While we think this scenario is highly unlikely, given our knowledge of the situation, we will definitely prepare for that possibility in the storage agreement.

Q: If Ron's and Moon's couldn't make it, why would another store even try?

A: As previously addressed, overhead costs are a significant factor in profitability, as it is with any business. Also, we believe the store's closing will bring some awareness to how having a local grocery store is critical to the vitality of our community. In turn, we hope it spurs more people to shop locally. I think the best answer to that question is to ask, "Why does any one business thrive over another?" The answer doesn't come as a single reason, but a combination of several factors, including: a good business plan, a competitive product, strong customer service and satisfaction, adequate operating capital, efficiency and appropriately managing costs. Every operator brings a different business to the table as well as the opportunity to be successful. We believe the numbers show this opportunity exists for the right operator.

Q: Why do we even need a grocery store? There are two in Paola only 10 minutes away?

A: Study after study shows that a grocery store is THE major anchor for a community's retail business, and therefore, a major anchor for growth. Without a grocery store, the City loses its largest retail sales tax generator. Osawatomie can expect a 10-percent decline in sales tax collections. When people leave town to shop for groceries, they also tend to spend money in those locations for other items like household goods, restaurants and entertainment. The distance from home to a grocery stores also plays a major factor for homebuyers when selecting a home and a community to live in – which, in turn, affects the housing market.

By having a store in Osawatomie, we can keep people in town, removing the reasons to shop elsewhere. With the opening of Palace Hardware and a bigger Dollar General store, residents have more opportunities to get what they want locally and avoid leaving town as often.

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: August 24, 2017

AGENDA ITEM: Gaming Park Ordinance (Paintball & Airsoft)

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: As you will see in the following issue, the City has been approached about leasing about 4 acres of land in the Northland for the development of a Paintball Park. Currently the only ordinances which really stand in the way of that occurring is a somewhat vague ordinance in the Uniform Public Offense Code (UPOC) prohibits the discharge of air guns, air rifles, bow and arrows, slingshots, BB guns or paintball guns within the city, except within the confines of a building or other structure from which the projectiles cannot escape. While we could probably interpret “structure” to include the netting system a paintball or airsoft operator would erect to keep projectiles from leaving their property, we determined that it would be best to clearly define this issue to provide peace of mind to the potential operator. It also provides us the opportunity to draft an ordinance which licenses these operations so that we can assure there are some rules to protect public safety and also to minimize interference with neighboring properties.

Discharge in the City Limits. That proposed ordinance would make the necessary changes to the UPOC to allow paintball and airsoft activities to occur on a licensed property. The way in which the ordinance is written, if a paintball or airsoft gun (marker) is discharged outside of a licensed facility, it would still be a violation of the UPOC.

New Licensing Procedure. The ordinance proposes a licensing procedure for all proposed gaming parks. A park would allow the discharge of airsoft or paintball markers if they meet certain requirements. Some of those requirements are:

1. A maximum discharge speed of 320 feet per second.
2. Protective structure (netting) to keep shots within the gaming area.
3. Noise restrictions of 65 decibels.
4. Minimum of 2 acres in size.
5. At least 250 feet from an occupied residence.
6. Restricts operations to daylight hours.
7. Requires the use of protective mask or goggles.

8. Requires biodegradable projectiles unless a debris sweeping and collection plan is approved.
9. Requires a minimum of \$1.0 million in liability insurance and requires the City to be named as additional insured.

License Approval and Administration. Licenses will be put before the City Council after all application requirements are met and provide the Council the opportunity to consider all license elements when issuing the license. A license will be issued for no more than 3 years and will expire at the end of the appropriate calendar year. The ordinance requires a minimum of one annual inspection by the City. The ordinance provides mechanisms for renewal, modification, revocation and the handling of complaints.

Utilities Exception. As it is also stated in the lease, because of the unique nature of the business the ordinance allows the City to waive utilities connections to the City for basic needs requirements— water, sanitation and heat. However, temporary facilities will need to be provided on site and will be required to be included in their site plan.

COUNCIL ACTION NEEDED: Review, discuss and consider.

STAFF RECOMMENDATION TO COUNCIL: Staff recommends the adoption of the ordinance in order to keep the ball rolling with the currently interested operator. If modifications are desired, the issue could be brought back at a special meeting the last week of August.

ORDINANCE NO. ____

AN ORDINANCE ALLOWING THE OPERATION AND LICENSING OF A GAMING PARK AND ALLOWING DISCHARGE OF GAMING RELATED GUNS AT SUCH PARKS BY ADDING A NEW SECTIONS TO THE MUNICIPAL CODE OF THE CITY OF OSAWATOMIE; TO INCLUDE A NEW SECTION IN ARTICLE TWO OF CHAPTER ELEVEN OF THE CODE AND BY CREATING A NEW ARTICLE FIVE OF CHAPTER FIVE OF THE CODE.

WHEREAS, the City of Osawatomie wishes to allow a privately-operated paintball park to operate in the community to provide recreational opportunities for its citizens and to create an attraction in the community; and

WHEREAS, the City must also establish rules and operational guidelines to protect its citizens and surrounding property owners from injury or unreasonable nuisances;

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

SECTION ONE: Article Two of Chapter Eleven of the Municipal Code of the City of Osawatomie is amended by adding the following new Section 202 which shall read as follows:

11-202. SAME; AMENDMENTS. Section 10.6 of the 2017 Uniform Public Offense Code of the City of Osawatomie is hereby amended to read as follows:

Sec. 10.6. Air Gun, Air Rifle, Bow and Arrow, Slingshot, BB Bund or Paintball Gun.

The unlawful operation of an air gun, air rifle, bow and arrow, slingshot, BB gun or paintball gun is the shooting, discharging or operating of any air gun, air rifle, bow and arrow, slingshot, BB gun or paint ball gun, within the city, except (1) within the confines of a building or other structure from which the projectiles cannot escape; or (2) a paintball gun or airsoft gun discharging paintballs at speeds or 300 feet per second or less or airsoft pellets at speeds of 360 feet per second or less when in use at a lawfully operating and City-licensed paintball or airsoft park and when such paintball gun or airsoft gun is operated in compliance with the rules and regulations posted at such a City-licensed park. Unlawful operation of an air gun, air rifle, bow and arrow, slingshot, BB gun or paint ball gun is a Class C violation.

SECTION TWO: Chapter Five of the Code of the City of Osawatomie is hereby amended by adding new Sections 501 through 508, inclusive, which shall read as follows:

ARTICLE 5. GAMING PARKS

5-501. Definitions.

As used in this title, the following words and phrases shall be construed as defined unless from the context a different meaning is intended or unless a different meaning is specifically defined:

- (a) “Gaming” means a group of individuals who voluntarily participate in goal-oriented play in which players shoot at each other with gaming markers under the supervision of the operator of a City-licensed facility who has the authority and responsibility to enforce specified rules and to end a game in the interest of safety.
- (b) “Gaming Area(s)” means any area where gaming is allowed under a City license, that may reasonably expect pellets to impact when discharged from a gaming marker resulting from direct fire and from misdirected and accidental discharges which takes into consideration all mitigation efforts as submitted by the park owner-operator and licensed by the City.
- (c) “Gaming Park(s)” means any business operating indoor or outdoor gaming, encompassing all areas of the park, including the gaming area, offices, storage buildings, parking areas, buffer zones and other accessory areas or structures.
- (d) “Gaming Marker” means any gun, rifle, pistol or implement which discharges a pellet and that is powered by compressed gas, spring-action, or an electrically-powered gear box which are unable to discharge paintballs or pellets at a speed faster than 320 feet per second. Gaming markers reaching speeds of over 320 feet per second shall be considered firearms.
- (e) “Pellet(s)” means either a plastic pellet or a plastic ball of paint designed to break upon impact, that is discharged from a gaming marker.
- (f) “Obstacle(s)” means any structure or item used in the Gaming Area for protection or obstruction of sight lines for purposes of Gaming.
- (g) “Occupied Dwelling(s)” means any residential structure which is legally occupied by one or more persons.
- (h) “Person(s)” means any individual, corporation, association, club, firm, or partnership.

5-502. Operation of a Gaming Park.

- (a) No gaming park shall operate without having a valid license issued by the City of Osawatomie for such purposes.
- (b) All gaming parks shall be operated in accordance with a valid license issued by the City of Osawatomie.
- (c) Each gaming park shall be operated in a manner to contain the pellets, and ricochets of same, discharged at or within the gaming area.

- (d) Each gaming park shall be operated in a manner designed to minimize off-site noise impacts generated by the activities conducted on the gaming area and shall comply with the City's noise ordinances.

5-503. Licensing Application and Requirements.

In order to be issued a gaming park license, the operator of such shall be required to provide the following information to the City of Osawatomie and meet the included requirements, which will serve as the operator's application for licensure.

- (a) **Ownership.** Information demonstrating that the applicant is the legal property owner(s) or lessees (or their agent), and shall also include the contact information for the operator applicant.
- (b) **Written Facility Description.** Written description of the shooting range facility, its location and uses abutting the property.
- (c) **Site Plan.** A site plan for the entire gaming park that clearly depicts the property lines for any parcel upon which the shooting range is located, plan scale, and a complete layout of the park, including: existing and proposed structures, adjacent streets, occupied residential structures within 500 feet, access roads, parking areas, lighting and utilities. Site plans shall also include the signage plan to include locations where both entrance, rules and warning signs will be installed, a detail indicating the size and material of the warning signs. In no case shall a site be considered if it fails to meet the following: adequate sanitation, water or heat; if outdoors, is 2 acres or greater in size; and the borders of which are no closer than 250 feet of an occupied residential structure.
- (d) **Security and Access Plan.** Fencing, gates, and other features used by the park to control access to the facility. Access to the park shall be secured and controlled, with ingress and egress permitted only during approved operating hours, except for access to perform routine maintenance or other business that does not involve gaming.
- (e) **Operations Plan.** The applicant must include the all major portions of the operational plan, including but not limited to: types of gaming allowed, safety requirements of participants, shot containment measures for the property, emergency response plans, hours of operation, noise abatement, gaming marker limits, and projectile types allowed. Such plans should meet the minimum operational standards:
 - i. **Hours of Operation.** In no case shall a Gaming Park be allowed to conduct gaming before sunrise or after sunset any day of the year.
 - ii. **Noise.** In no case shall gaming activity at the park create decibel levels at the property line that are more than sixty-five (65) decibels.
 - iii. **Marker Regulation.** Any airsoft or paintball marker provided by the park operators or brought in by participants shall be able to discharge projectiles in charge of 300 feet per second for paintballs and 360 feet per second for plastic pellets. The park owner-operator may require lower speed levels and must have a plan and procedure for regularly verifying projectile speeds of all markers.
 - iv. **Safety Equipment.** In no case shall the park owner-operator allow gaming activity to be conducted without protective masks or goggles. The plan should detail the safety equipment required for each type of activity.

- v. Shot Containment. The information shall include a plan describing how projectiles or any other debris shall be contained in the gaming area, including rules of operation that promote shot containment. Structures or devices that shall be installed for shot containment and rules shall be shown on the site plan. Parks shall be designed to contain all of the projectiles or any other debris within the gaming area.
 - vi. Types of Projectiles. All projectiles must be biodegradable or a plan must be provided which explains how the sweeping and collection of pellet debris will be accomplished.
- (f) Insurance. Documentation of the insurance coverage for the park and business. The gaming park shall be covered by a minimum one million dollars (\$1,000,000) per occurrence of liability insurance. Such insurance shall name the City as an additional insured and shall save and hold the City, its elected and appointed officials, and employees acting within the scope of their duties harmless from and against all claims, demands, and causes of action of any kind of character, including the cost of defense thereof, arising in favor of a Person or group's members or employees or third parties on account of any property damage arising out of the acts or omissions of the licensee, his/her group, club, or its agents or representatives. The City shall be notified of any policy changes or lapses in coverage and operating without effective insurance is cause for immediate revocation of the license.
- (g) Pay a license fee to the City of not less than \$100 which is to be established in the City's annual fee resolution.

5-504. Licensing Review and Approval; Modification; Renewal.

- (a) Review. Once all the necessary information is provided to the City, the city's building official will review and make recommendations to the city manager on the submitted plan's compliance with park requirements, zoning regulations and city ordinances. The city manager will forward all such recommendations to the City Council to consider approval of the license.
- (b) Incomplete Application. If the operator's application is not in compliance with minimum requirements, the building official will request the additional information required. Should the information not be required within one hundred eighty days, the application shall be considered abandoned.
- (c) Consideration of Application. When considering to approve an application for a gaming park license, the City may consider all factors of the application, including the operator's experience and business reputation, as well other non-factors, such as, but not limited to: whether the park fits within the environs of the proposed area; distance from other businesses and residences; estimated traffic impact to the surrounding area, and other issues related to the operation and location of the park.
- (d) Approval. If the license is approved by the City Council, the license shall be valid for three up to (3) years and shall expire on the last day of the calendar year which does not create a license which is issued for more than three years.

- (e) Compliance with City Laws. Any license issued hereunder does not relieve the licensee of compliance with the laws and regulations of the City of Osawatomie.
- (f) Building or Improvement Permits. Operator will obtain the necessary building or improvement permits as necessary. Such license shall be secured prior to issuance of any building or other improvement permits of the City.

5-505. License Administration.

- (a) Annual Inspection. A licensed shooting range facility shall be inspected by the City at least once by the building inspector during a calendar year for compliance with the license and general protection of public safety.
- (b) Modifications to License. If a gaming park is intended to be substantially changed, expanded or modify operations, or to add additional activities not covered by an existing license, a license amendment shall be secured in accordance with all of the provisions of this article.
- (c) Renewal. Prior to the license expiration, the operator of the gaming park may request a license renewal, which will consist of updating all information in Section 503 of this Article and going through the same review process as a new license.
- (d) Abandonment and Discontinuance. When an existing gaming park discontinues operations without the intent to reinstate operations, the property owner shall notify the City of such intent as soon as practicable. In any event, the discontinuance of operations or non-use for a period in excess of one year shall create the presumption said gaming park is abandoned and any current, valid permits issued shall terminate.
- (e) License Transferability. A license issued pursuant to this article may not be transferred from one operator to another without the written approval and consent of the City Council.

5-506. License Administration.

- (a) Enforcement. The city manager shall be responsible for the enforcement of the license and the provisions of this article.
- (b) Complaints, preferably in writing, regarding non-conformance with any license shall be reported to the city manager, or his or her designee, who shall investigate the same and file a report of its findings. Any violation which cannot be readily corrected by the operator or which the city manager finds that would be a threat to the public's health, safety and welfare, shall be reported to the City Council for consideration of revocation of the license. Any violation of this article or of any condition or requirement adopted pursuant to these provisions may be restrained, corrected, or abated, as the case may be, by revocation as allowed by state law.
- (c) License Revocation. Any license issued under this article may be suspended or revoked following a vote of the City Council to hold a license revocation hearing.

The hearing shall not be held less than 20 days or more than 60 days after notification of the operator delivered in person or by certified mail.

5-507. Reserved for future use.

5-508. Penalties.

Any Person who violates any of the provisions of this article is considered a Class C violation. In the case of continuing violations, each day shall constitute a separate violation.

5-509. Utilities Exceptions.

Because of the nature of the business, an outdoor gaming facility licensed to operate on property where City utilities are not adjacent to the property, the City of Osawatomie may waive as part of its license approval, requirements for all utilities on the site. In such cases, the operator will provide a plan which meets all basic utility needs, such as water, sanitation and electric or gas heat. Connection to city utilities will be required, within a reasonable time, once city utilities are located within 100 feet of the gaming park.

SECTION THREE: AMENDED. Section 202 of Article Two of Chapter Eleven and Sections 5-501 through 5-509 inclusive of Article Five of Chapter Five are hereby added to the Municipal Code of the City of Osawatomie

SECTION FOUR: EFFECTIVE DATE. This ordinance shall take effect and be in force from and after its passage and one publication in the official City newspaper.

ADOPTED AND APPROVED by the Governing Body this 24th day of August, 2017.

(SEAL)

L. Mark Govea, Mayor

ATTEST:

Tammy Seamands, City Clerk

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: August 24, 2017

AGENDA ITEM: Shoot House LLC Lease

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: Shoot House LLC has proposed the development of a local paintball park to be located on approximately 4.15 acres of land in the Northland. The proposed park will contain one small store front building, a shipping container used for storage and four playing fields. Initially, every playing field will be outdoors and there will be no indoor playing fields. The playing fields will be made of plywood, sandbags and 55-gallon plastic barrels and nets will surround the fields to prevent paintballs from escaping the park.

Potential issues to consider with paintball parks are noise, nighttime bright light pollution, environmental concerns of paintballs, advertising and signage. These issues are not standard across all paintball parks and paintball equipment. Common complaints seen in other communities across the country by local citizens share the concerns above. Shoot House LLC has addressed many of these common complaints in their site plan. The park will not have any lights and will only be open during the day. In addition, almost every kind of paintball now is made of capsules containing biodegradable non-toxic materials, water, and dye.

Another concern often expressed is concern about stray pellets by neighbors. Under the proposed ordinance and licensure, a paintball guns will not be allowed if they shoot at a speed of over 300 feet per second (fps) for paintballs and 360 feet per second for airsoft (plastic) pellets. Most operators will not allow speeds that high, but these are the speeds that tend to be the limits for most parks that allow gaming. This operator has indicated paintballs will be at or under 300, per their insurance company. As for the distance a paintball can travel, at 280 fps, a pellet can travel accurately 80 to 100 feet. Generally, paintballs can't travel much over 250-300 feet.

Currently, the closets paintball facility to Osawatomie is Drop Zone in Overbrook, KS, Martin City Paintball in Kansas City, MO and Jaegers Paintball Park in Kansas City, MO. An individual round of paintball at Drop Zone can cost between \$20 and \$80 depending on if a player needs to rent or purchase equipment, such as guns, safety equipment, and paintballs.

The draft lease term would begin Friday, August 25, 2017 and run through December 31, 2018. After 2018, Shoot House LLC will have the option to extend the lease twice on one-year terms through 2020. After 2020, there will be a mutual lease option for two additional one-year terms. The rent schedule would begin with a \$300 payment for the remainder of 2017 and \$800 due in 2018 with the payment increasing by \$100 over the subsequent years of the contract.

The draft lease also specifies that the lessee would be responsible for all utility connections and associated fees as well as any taxes levied on the portion of the property occupied by the park.

COUNCIL ACTION NEEDED: Review the lease as presented and take action on approval of development plan.

STAFF RECOMMENDATION TO COUNCIL: Approve the City Manager to sign a lease with Shoot House LLC, subject to any technical or non-monetary changes, to be approved by the City Attorney.

This will allow Shoot House LLC to apply for a license and begin preliminary construction on the park until licensure is approved.

PROPERTY LEASE AGREEMENT

This Property Lease Agreement (“Agreement” or “Lease”) is entered into as of August 25, 2017 (“Effective Date”) by and between the **City of Osawatomie**, a municipal corporation (the “City” or “The City”), and **Shoot House LLC** (“Lessee”) for the lease of the property described herein to be used for the business purposes as described herein.

1. **Property Description.** The property to be leased (“Property”) is an area of approximately 4.15 acres, defined by the following GPS coordinates:

SE Corner - N 38 30.35907, W 94 55.65635
SW Corner - N 38 30.35900, W 94 55.70883
NW Corner - N 38 30.47727, W 94 55.70871
NE Corner - N 38 30.47707, W 94 55.65623

The defined area lies within approximately 36 acres of land (County Parcel Number 1710100003001000) located on the southeast corner of 343rd Street and US-169 intersection. The Property is outlined on the map included as Exhibit A.

2. **Term/Termination.** The term of this Agreement shall be a fixed term beginning on August 25, 2017 and ending on December 31, 2020, with the Lessee having an option for an extension of up to two, one-year terms, upon mutual agreement of both parties. This Lease Agreement, if not previously terminated, shall automatically expire at the end of the term specified.
3. **Use of Property.** The Lessee shall have the use of the premises for the term of this Agreement for the purpose of operating a Paintball Park and for no other purpose except as may be specifically authorized in writing by Lessor. Lessee agrees not to use or permit the use of the Premises for any purpose which is illegal, or which violates authorized uses under the current zoning of the property. The Lessee and City will mutually agree to the placement of permanent markers for the corners of the leased property and the Lessee will keep all activities within the leased area. Lessee agrees to comply with all applicable laws, ordinances, rules, and regulations of the City of Osawatomie and State of Kansas. Specifically, Lessee shall use the building for no purpose which would constitute and environmental hazard under the Laws of the State of Kansas or the United State of America.
4. **Payment.** The Lease rent shall be cash rent. The Lessee agrees to pay the City rent based on the following schedule:

For the remainder of 2017 - \$300, due upon signing.

For 2018 - \$800, due in two \$400 installments to be paid on January 1 and July 1.

For subsequent years included in this Agreement or approved by mutual extensions, the rent payment will increase by \$100 over the previous year for each subsequent year of

the contract with, one-half due on January 1 and one-half due on July 1 of each calendar year.

5. Responsibility for Taxes.

The City shall not be responsible for nor indemnify Lessee for any taxes, fees, or assessments which may be imposed or levied upon the subject matter of this Lease Agreement. It shall be the responsibility of the Lessee to pay all such taxes, fees, and assessments. If any taxes for which Lessee is liable under this Paragraph are levied against The City or The City's property and if The City elects to pay the same or if the assessed value of The City's property is increased by inclusion of personal property and trade fixtures placed by Lessee in the Premises and The City elects to pay the taxes based on such increase, Lessee shall pay to The City upon demand that part of such taxes for which Lessee is primarily liable hereunder

Because only a portion of the parcel is being leased, the property taxes for the Property will be assessed to the City's parcel. The Lessee agrees to pay for 100% of all property taxes assessed on the property, unless other taxable activities also receive leases on the 36-acre parcel. In such cases where the city may be leasing one or more portions of the parcel on which the Property is located, the property taxes will be allotted to the leasing entities according to the assessments assigned to each lease by the County Appraiser. Payment of property taxes will be paid directly to the County by the required due dates, with confirmation of payment provided to the City within 10 days of payment.

6. Utilities. Water, gas and electric will be furnished and paid for by the Lessee. Because of the nature of the business, the City hereby waives any requirements to provide a permanent water service or sanitary sewer system on location, unless the portable and temporary measures become inadequate and create a health nuisance on the property.

7. Repair and Maintenance of Premises. Repairs of damage caused by Lessee shall be paid for by Lessee.

- a. Any chemicals or materials used in the operation of paintball activities park shall be either biodegradable or shall dissipate in a manner so that they cannot be detected within 30 days of use. Any such damage left the property as a result of these chemicals and materials shall be required to be remediated by the Lessee.
- b. Any buried footings, piers or anchor points, must be removed by the Lessee unless waived in writing by the City. Any improvements which cause changes to proper drainage on the property or cause ponding or pooling which interfere with other uses of the property must be approved by the City in advance of the changes, or upon discovery by the City. All such approvals shall be requested and provided in writing.

- c. The Lessee agrees to maintain the entrance road to the property across the City’s property from the county road which will initially be provided by the City.
 - d. Lessee will also furnish and pay for routine maintenance of the grounds and understands that they City will not maintain the remainder of the undeveloped land adjacent to the Property. Any such required mowing or maintenance on non-leased land will be the responsibility of the Lessee, with written permission from the City.
8. **Untentantable Premises.** If the Property shall be damaged so as to be untentantable for the Lessee’s purposes , the rental payments shall abate from the date of such damage and shall not resume until the premises are restored to tentantable condition or until Lessor can provide alternate acceptable space to Lessee. Any prepaid payments shall be returned to Lessee for the period the premises are untentantable. Lessee shall not create any condition on the property which makes the property untentantable for Lessee’s purposes and This provision shall have no applicability to any condition created by the Lessess. Lessee agrees that at the date of this lease the Property is in a tentantable condition.
 9. **Agreement with Kansas Law.** This Lease Agreement shall be subject to, governed by, and construed according to the laws of the State of Kansas.
 10. **Binding Effect.** The terms and conditions of this Lease Agreement shall be binding upon the parties, their agents, administrators, or legal successors.
 11. **Liability for Damages.** Lessee agrees to hold harmless and indemnify Lessor from any and all claims that are brought or maintained by third parties against Lessor by reason of the acts or omissions of the Lessee. As also provided hereinafter Lessee shall maintain liability insurance which names the City as an additional named insured which will be in an amount not less than \$1,000,000 and insures the City against any form of claim against the City as a result of Lessees use of the property for the purposes authorized by this lease.
 12. **Termination Prior to the Expiration of the Term.** Notwithstanding the length of the term of this lease agreement, the City may terminate this lease prior to the expiration of the term of the lease upon the Lessee’s failure to make lease payments, the Lessee’s use of the Property for criminal activities, or significant damage to the Property caused by the Lessee’s action. In this event, the Lessor will provide a 30-day written notice to:

LESSEE NAME	Shoot House LLC
Address	21650 W Johnson
City, State, Zip Code	Spring Hill, Kansas 66083

13. **Modification.** Lessor reserves the right to modify this Lease Agreement upon written notice to and subsequent written consent by Lessee. Modifications are subject to the same approvals and conditions as required for approval of this Lease Agreement.

14. **Contraband.** Possession of illegal drugs or of firearms, alcoholic beverages, or other contraband on the premises is prohibited.
15. **Entry by The City.** Lessee agrees to permit The City or its agents or representatives to enter into and upon any part of the Premises at reasonable hours (and in emergencies at all times) to inspect the same, or to show the Premises to insurers. Lessor shall give written notice to lessee at least five business days in advance of any entry upon the premises by lessor.
16. **Assignment or Sublease.** The Lessee may not sublet this Property or assign this Lease to any other persons without the written consent of the City.
17. **Mechanic's Liens.** Lessee will not permit any mechanic's lien or liens to be placed upon the Property and nothing in this Lease shall be deemed or construed in anyway as constituting the consent or request of the City, express or implied, by inference or otherwise, to any person for the performance of any labor or the furnishing of any materials to the Property, or any part thereof, nor as giving Lessee any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to any mechanics' or other liens against the Property. In the event any such lien is attached to the Property, then, in addition to any other right or remedy of the City, the City may, but shall not be obligated to, discharge the same. Any amount paid by City for any of the aforesaid purposes shall be paid by Lessee to The City on demand as additional rent.
18. **Insurance.** Lessee shall be solely responsible for or insure any loss sustained by Lessee associated Lessee's use of the Property. The City shall have no obligation or responsibility for any loss sustained by the Lessee related in any way to Lessee's use of the building leased pursuant to the terms of this lease
19. **Indemnification.** Lessee agrees to accept the condition of the property as is at the date of this lease and the City shall not be liable to Lessee, or to Lessee's agents, servants, employees, customers, or invitees for any injury to person or damage to property caused by any condition existing on the property or by any act, omission, or neglect of Lessee, its agents, servants, or employees, invitees, licensees or any other person entering the Premises under the invitation of Lessee or arising out of the use of the Premises by Lessee and the conduct of its business or out of a default by Lessee in the performance of its obligations hereunder. Lessee hereby agrees to hold The City harmless from all liability and claims for any such damage or injury.
20. **Events of Default Remedies.**
 - a. The following events shall be deemed to be events of default by Lessee under this Lease:

- i. Lessee shall fail to pay the rent when due and following five (5) days written notice thereof and opportunity to cure;
 - ii. Lessee shall fail to comply with any non- monetary provisions of this Lease or any other agreement between the City and Lessee all of which terms, provisions and covenants shall be deemed material within thirty (30) days following written notice thereof and opportunity to cure; provided, however, to the extent such non-monetary default cannot be cured within such 30-day time period, Lessee shall not be deemed in default as long as Lessee has commenced efforts satisfactory to the City to cure such default and diligently pursues the same;
 - iii. The leasehold hereunder demised shall be taken on execution or other process of law in any action against Lessee;
 - iv. Lessee files a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof; or a petition shall be filed against Lessee under any such statute by any party other than Lessor; or,
 - v. as part of any Bankruptcy or insolvency proceeding a receiver or trustee shall be appointed for Lessee's leasehold interest in the Premises or for all or a substantial part of the assets of Lessee (the mere appointment of a receiver or trustee as part of any civil litigation shall not constitute a default under the terms of this agreement).
- b. Upon the occurrence of any event or events of default by Lessee, as enumerated in subsection (a) of this section above, the City shall have the option to pursue any one or more of the following remedies without any notice or demand for possession whatsoever:
 - i. terminate this Lease in which event Lessee shall immediately surrender the Premises to the City;
 - ii. terminate Lessee's right to occupy the Premises and re-enter and take possession of the Premises (without terminating this Lease);
 - iii. enter upon the Premises and do whatever Lessee is obligated to do under the terms of this Lease; and Lessee further agrees that the City shall not be liable for any damages resulting to the Lessee from such action; and
 - iv. exercise all other remedies available to the City at law or in equity, including, without limitation, injunctive relief of all varieties.
- c. The City may, without prejudice to any other remedy which it may have for possession or arrearage in rent, expel or remove Lessee and any other person who may be occupying said Premises or any part thereof. In addition, the provisions of section 2 of this Agreement shall apply with respect to the period from and after the giving of notice of such termination to Lessee. All the City's remedies shall be cumulative and not exclusive. Forbearance by the City to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default.

- d. This section shall be enforceable to the maximum extent not prohibited by applicable law, and the unenforceability of any portion thereof shall not thereby render unenforceable any other portion. To the extent any provision of applicable law requires some action by the City to evidence or effect the termination of this Lease or to evidence the termination of Lessee's right of occupancy, Lessee and the City hereby agree that notice, either oral or by telephone, or by any act of the City that comes to the attention of Lessee, its agents, servants or employees, which reflects the City's intention to terminate, shall be sufficient to evidence and effect the termination herein provided for, but Lessee hereby agrees that, as between the City and Lessee, its successors and assigns, no such notice shall ever be necessary to effect a termination hereunder.
21. **Peaceful Enjoyment.** Lessee shall, and may peacefully have, hold, and enjoy the Premises, subject to the other terms hereof, provided that Lessee pays the rent and other sums herein recited to be paid by Lessee and performs all of Lessee's covenants and agreements herein contained. This covenant and any and all other covenants of Lessor shall be binding upon Lessor and its successors only with respect to breaches occurring during its or their respective periods of ownership of the Lessor's interest hereunder.
22. **Holding Over.** In the event Lessee continues to occupy the Property after the termination of Lessee's right of possession pursuant to the Agreement hereof, Lessee shall, throughout the entire hold over period, pay rent equal on a per diem basis, one and one-half times the most recent annual rental payment.
23. **No Implied Waiver.** The failure of the City to insist at any time upon the strict performance of any covenant or agreement or to exercise any option, right, power or remedy contained in this lease shall not be construed as a waiver or a relinquishment thereof for the future. No payment by Lessee or receipt by the City of a lesser amount than the monthly installment of rent due under this Lease shall be deemed to be other than on account of the earliest rent due hereunder, nor shall any endorsement or statement on any check or any letter accompanying any check or payment of rent be deemed an accord and satisfaction, and the City may accept such check or payment without prejudice to The City's right to recover the balance of such rent or pursue any other remedy in this Lease provided.
24. **Limitation on Liability.** The liability of the City to Lessee for any default by the City under the terms of this Lease shall be limited to the interest of the City in the Property and Lessee agrees to look solely to the City's interest in the Property for the recovery of any judgment from the City, it being intended that the City shall not be liable for any judgment or deficiency. Provided however, if any default hereunder is determined to be the result of the City's gross negligence, willful misconduct or an intentional breach of this agreement, the limitations upon The City's liability contained in this paragraph shall not apply and the City will be liable for the full amount of any judgment or deficiency.

25. **Notice. Notices.** All notices which shall or may be given pursuant to this Agreement shall be in writing and served by (1) electronic mail; and (2) personally served or transmitted through first class United States mail, or by express mail providing for overnight delivery, postage prepaid, to the following address or such other address of which a party may give written notice:

The City: City of Osawatomie 439 Main Street, PO Box 37 Osawatomie, KS 66064 Attn: Tammy Seamands, City Clerk	Lessee: Shoot House LLC 21650 W Johnson Spring Hill, KS 66083 Attn: Douglas Petroskey
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26. **Severability.** If any term or provisions of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

27. **Recordation.** Lessee may in its discretion record this Lease, or a memorandum hereof.

28. **Force Majeure.** Whenever a period of time is herein prescribed for the taking of any action by either Lessee or The City, neither Lessee or The City shall be liable or responsible for, and there shall be excluded from the computation of such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations or restrictions, or any other cause whatsoever beyond the reasonable control of The City or Lessee, as applicable.

29. **Time of Performance.** Except as expressly otherwise herein provided, with respect to all required acts of Lessee, time is of the essence of this Lease.

30. **Entire Agreement.** This written lease contains the entire agreement between the parties and provisions, agreements, or promises not contained herein shall have no force and effect.

31. **Applicable Law.** This Agreement shall be governed by the laws of the State of Kansas.

The remainder of this page is intentionally left blank.

32. **Signatories.** This agreement shall be signed on behalf of the parties by the officers below, both having been authorized by their respective entities to approve this agreement. The Agreement shall be effective as of the date first written.

The Landlord:

City of Osawatomie, Kansas

Donald R Cawby, City Manager

Date

Lessee:

Shoot Out LLC


Douglas Petroskey, Authorized Representative

Date

DRAFT

Paintball Facility

Legend

 Lease Boundary



800 ft.

Google Earth

©2017 Google