

CITY OF TONGANOXIE
321 S. DELAWARE 913-845-2620
October 16, 2017
7:00 Regular Meeting



Honorable Jason K. Ward, Mayor
Council Members
Chris Donnelly James Truesdell
Curtis Oroke Andy Gilner Kara Reed

Open Regular Meeting – 7:00 p.m.

I. Pledge of Allegiance

II. Approval of Minutes – Regular Meeting dated October 2, 2017

III. Consent Agenda

- a) Review Bill Payments

IV. Open Agenda

Members of the public are welcome to use this time to comment about any matter relating to City business. The comments that are discussed under Open Agenda may or may not be acted upon by the Council during this meeting. In order to speak during open agenda, you must sign up with your name and address with the city clerk or designee **before the meeting**. Comments will be limited to 3 minutes. Please wait to be recognized by the Mayor and **state your name and address** for the record.

V. Old Business

VI. New Business

- a) Recognition of Fire Chief Jack Holcom
- b) Resolution 10-17-03: Approving and authorizing the execution of a real estate contract between the City of Tonganoxie, Kansas and Unilock Chicago, Inc.
- c) Consider donation of old fire hose and nozzles
- d) Presentation from Tonganoxie Library and JE Dunn regarding needs assessment for proposed new library
- e) Consider budget request from Tonganoxie Library Board for proposed new library
- f) City Manager Agenda
 - 1. September 2017 Financial Report
 - 2. Quarterly Treasurer's Report – 3rd Quarter 2017
- g) City Attorney Agenda
- h) Mayor Agenda
 - 1. Executive session to discuss an individual employee's performance evaluation, pursuant to the non-elected personnel exemption, KSA 75-4319(b)
- i) Mayor Pro Tem Agenda

j) City Council Agenda

VII. Information & Communications (No Action Required)

VIII. Adjourn



City of Tonganoxie, KS

Check Report

By Check Number

Date Range: 09/29/2017 - 10/13/2017

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP Bank						
0006	ACE PIPE CLEANING INC	10/02/2017	Regular	0.00	986.00	42000
0826	ANNA WOLF	10/02/2017	Regular	0.00	1,050.00	42001
0064	BOUND TREE MEDICAL, LLC	10/02/2017	Regular	0.00	66.23	42002
0882	BRUNSWICK BALLROOM	10/02/2017	Regular	0.00	1,000.00	42003
0111	COLEMAN EQUIPMENT INC	10/02/2017	Regular	0.00	170.38	42004
0136	DELTA DENTAL PLAN OF KANSAS,IN	10/02/2017	Regular	0.00	2,064.39	42005
0878	DEZURIK INC.	10/02/2017	Regular	0.00	806.00	42006
0157	EDWARDS CHEMICALS	10/02/2017	Regular	0.00	36.00	42007
0879	EMILY KATE JOHNSON	10/02/2017	Regular	0.00	75.00	42008
0189	FIRST STATE BANK & TRUST	10/02/2017	Regular	0.00	1,341.01	42009
0856	HAUPT CONSTRUCTION COMPANY	10/02/2017	Regular	0.00	392,359.50	42010
0243	HIMPEL LUMBER & BUILDING SUPPL	10/02/2017	Regular	0.00	245.11	42011
0275	J. WARREN COMPANY, INC.	10/02/2017	Regular	0.00	670.00	42012
0880	JAMES TRUESDELL	10/02/2017	Regular	0.00	736.62	42013
0330	KANSAS GAS SERVICE	10/02/2017	Regular	0.00	32.56	42014
0345	KATHLEEN MCBRATNEY	10/02/2017	Regular	0.00	375.00	42015
0362	KIMBALL MIDWEST	10/02/2017	Regular	0.00	26.23	42016
0393	LAWRENCE MEMORIAL HOSPITAL	10/02/2017	Regular	0.00	30.00	42017
0395	LCDC	10/02/2017	Regular	0.00	350.00	42018
0397	LEAGUE OF KANSAS MUNICIPALITIE	10/02/2017	Regular	0.00	160.00	42019
0410	LIBERTY NATIONAL	10/02/2017	Regular	0.00	237.82	42020
0732	METLIFE - GROUP BENEFITS	10/02/2017	Regular	0.00	195.48	42021
0477	NAVRATS	10/02/2017	Regular	0.00	196.70	42022
0479	NEW DIRECTIONS BEHAVIORAL HEAL	10/02/2017	Regular	0.00	232.29	42023
0503	PACE ANALYTICAL SERVICES INC	10/02/2017	Regular	0.00	454.00	42024
0384	PAUL LAMB	10/02/2017	Regular	0.00	68.00	42025
0542	QUILL	10/02/2017	Regular	0.00	124.06	42026
0555	RICOH USA, INC.	10/02/2017	Regular	0.00	29.96	42027
0247	SCOTT HOLLADAY	10/02/2017	Regular	0.00	287.84	42028
0625	THE RADAR SHOP	10/02/2017	Regular	0.00	388.50	42029
0628	TODD'S TIRE LLC	10/02/2017	Regular	0.00	1,379.00	42030
0630	TONGANOXIE LIBRARY BOARD	10/02/2017	Regular	0.00	25,487.43	42031
0642	U S POSTAL SERVICE	10/02/2017	Regular	0.00	1,115.04	42032
0661	VISION SERVICE PLAN	10/02/2017	Regular	0.00	395.08	42033
0671	WESTAR ENERGY	10/02/2017	Regular	0.00	953.27	42034
0673	WESTERN EXTRALITE COMPANY	10/02/2017	Regular	0.00	797.98	42035
0677	WILLIAM PRAY	10/02/2017	Regular	0.00	600.00	42036
0873	AIRVAC	10/13/2017	Regular	0.00	846.00	42037
0025	APAC-KANSAS, INC	10/13/2017	Regular	0.00	430.79	42038
0694	APPARATUS SERVICES LLC	10/13/2017	Regular	0.00	362.40	42039
0884	APPLIANCE DOCTOR	10/13/2017	Regular	0.00	60.00	42040
0034	AT&T ACCESS TRANSPORT SERVICES	10/13/2017	Regular	0.00	74.49	42041
0039	BAMFORD FIRE SPRINKLER CO	10/13/2017	Regular	0.00	224.00	42042
0064	BOUND TREE MEDICAL, LLC	10/13/2017	Regular	0.00	281.10	42043
0749	BROADVOICE	10/13/2017	Regular	0.00	139.55	42044
0700	BUSHYHEAD LLC	10/13/2017	Regular	0.00	9,590.00	42045
0077	CARAWAY PRINTING CO., INC.	10/13/2017	Regular	0.00	266.00	42046
0166	EMERGENCY REPORTING	10/13/2017	Regular	0.00	139.00	42047
0182	FEDEX	10/13/2017	Regular	0.00	17.88	42048
0198	FRANK ROBISON	10/13/2017	Regular	0.00	1,400.00	42049
0205	GALL'S LLC	10/13/2017	Regular	0.00	551.89	42050
0596	GEOFF SONNTAG	10/13/2017	Regular	0.00	400.00	42051
0224	HAMM QUARRIES & LANDFILL	10/13/2017	Regular	0.00	2,454.52	42052
0856	HAUPT CONSTRUCTION COMPANY	10/13/2017	Regular	0.00	113,062.50	42053

Check Report

Date Range: 09/29/2017 - 10/13/2017

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
0250	HONEYCREEK DISPOSAL SERVICE	10/13/2017	Regular	0.00	25,432.87	42054
0284	JAYS UNIFORMS	10/13/2017	Regular	0.00	105.94	42055
0308	KANSAS STATE TREASURER	10/13/2017	Regular	0.00	1,512.50	42056
0321	KANSAS DEPARTMENT OF REVENUE	10/13/2017	Regular	0.00	1,880.96	42057
0330	KANSAS GAS SERVICE	10/13/2017	Regular	0.00	37.26	42058
0348	KBI	10/13/2017	Regular	0.00	800.00	42059
0757	KC CLEAN	10/13/2017	Regular	0.00	240.00	42060
0373	KS HEALTH & ENVIROMENT LAB	10/13/2017	Regular	0.00	576.00	42061
0393	LAWRENCE MEMORIAL HOSPITAL	10/13/2017	Regular	0.00	30.00	42062
0395	LCDC	10/13/2017	Regular	0.00	10.00	42063
0397	LEAGUE OF KANSAS MUNICIPALITIE	10/13/2017	Regular	0.00	160.00	42064
0793	LEAVENWORTH COUNTY TREASURER	10/13/2017	Regular	0.00	2,416.10	42065
0426	LV COUNTY SHERIFF OFFICE	10/13/2017	Regular	0.00	275.00	42066
0857	MIDCONTINENT COMMUNICATIONS	10/13/2017	Regular	0.00	521.62	42067
0476	NATIONAL SIGN COMPANY INC.	10/13/2017	Regular	0.00	759.00	42068
0491	OLATHE WINWATER WORKS	10/13/2017	Regular	0.00	2,907.00	42069
0496	ONE CALL CONCEPTS	10/13/2017	Regular	0.00	120.00	42070
0500	OREILLY AUTO PARTS	10/13/2017	Regular	0.00	247.02	42071
0548	RECORDNEWS	10/13/2017	Regular	0.00	441.01	42072
0568	SAMS CLUB	10/13/2017	Regular	0.00	143.54	42073
0579	SECURITY BENEFIT - 457	10/13/2017	Regular	0.00	2,519.23	42074
0594	SMITHEREEN PEST CONTROL	10/13/2017	Regular	0.00	198.00	42075
0597	SOUTHERN LV CO LEADERSHIP DVLP	10/13/2017	Regular	0.00	400.00	42076
0866	TERRACON CONSULTANTS, INC	10/13/2017	Regular	0.00	6,106.25	42077
0628	TODD'S TIRE LLC	10/13/2017	Regular	0.00	836.00	42078
0635	TOTAL ELECTRIC CONTRACTORS INC	10/13/2017	Regular	0.00	385.90	42079
0641	TYLER TECHNOLOGIES	10/13/2017	Regular	0.00	2,215.00	42080
0642	U S POSTAL SERVICE	10/13/2017	Regular	0.00	1,210.00	42081
0668	WEIS FIRE & SAFETY EQUIPMENT	10/13/2017	Regular	0.00	20,089.77	42082
0671	WESTAR ENERGY	10/13/2017	Regular	0.00	13,813.46	42083

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	118	84	0.00	652,212.03
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	118	84	0.00	652,212.03

Fund Summary

Fund	Name	Period	Amount
998	Gen Fund-Pooled Cash	10/2017	652,212.03
			<u>652,212.03</u>

RESOLUTION NO. 10-17-03

A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF THAT CERTAIN REAL ESTATE CONTRACT OF SALE BETWEEN THE CITY OF TONGANOXIE, KANSAS, AND UNILOCK CHICAGO, INC.

WHEREAS, the City of Tonganoxie, Kansas (the “City”), wishes to enter into that certain Real Estate Contract of Sale between the City and Unilock Chicago, Inc., attached hereto as Exhibit A.

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

Section 1. That the Governing Body approves and hereby authorizes the Mayor to execute that certain Real Estate Contract of Sale between the City and Unilock Chicago, Inc., attached hereto as Exhibit A.

Section 2. That this resolution shall become effective upon passage.

ADOPTED by the Governing Body this 16th day of October, 2017.

SIGNED by the Mayor this 16th day of October, 2017.

SEAL

Jason Ward, Mayor

ATTEST:

Patricia C. Hagg, City Clerk

APPROVED AS TO FORM:

Shannon M. Marciano, City Attorney

EXHIBIT A

**Real Estate Contract of Sale between the City of Tonganoxie and
Unilock Chicago, Inc.**

REAL ESTATE CONTRACT OF SALE

THIS REAL ESTATE CONTRACT OF SALE ("Contract") is made and entered into as of the date of the signature of the last party to sign this Contract (the "Effective Date") by and between the CITY OF TONGANOXIE, KANSAS ("City") and UNILOCK CHICAGO, INC., an Illinois corporation registered to do business in the State of Kansas ("Unilock" or the "Buyer").

WITNESSETH:

WHEREAS, Leavenworth County, Kansas (the "County") and City intend to enter or have entered into a certain agreements in order to incentivize economic development within the City and the County through mutual cooperation between the parties, and cause the development of an industrial/commercial park within the City on certain real property legally described on Exhibit A which is attached hereto and incorporated herein by this reference (the "Project Property"), and to provide for the construction of certain infrastructure improvements to the Project Property;

WHEREAS, Buyer desires to purchase that certain portion of the Project Property legally described and depicted on Exhibit B, as attached hereto and incorporated herein (the "Unilock Property"), from the City for the construction of certain facilities related to Buyer's landscape design and paver business operation; and

WHEREAS, the City desires to sell to Buyer and Buyer desires to purchase from the City the Unilock Property on the terms and conditions hereinafter more fully set out.

NOW, THEREFORE, in consideration of the agreements herein contained and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I The Unilock Property

1.1 Subject to the terms and provisions of this Contract, the City agrees to sell to Buyer, and Buyer agrees to purchase from the City, all of the following, which comprise the Unilock Property:

- (a) the 34.00 acres of land described and depicted on Exhibit B (the "Land"); and
- (b) all singular estates, rights, privileges, easements, and appurtenances belonging or in any way appertaining to the Land.

ARTICLE II Purchase Price

2.1 Purchase Price. The total purchase price for the Property shall be Three Hundred Thousand and NO/100 Dollars (\$300,000.00) (the "Purchase Price"), which Purchase Price shall be due and payable by Buyer to the City by wire transfer as follows:

(a) Within three (3) days after the Effective Date of this Contract, Buyer shall deposit the sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) (the "Earnest Money") with [REDACTED] Title Company ("Title Company"). All interest accruing on the Earnest Money shall become part of the Earnest Money.

(b) One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) at the Closing (hereinafter defined).

ARTICLE III Title and Survey

3.1 Title Binder. Within fourteen (14) days after the Effective Date, the City shall provide Buyer with a current Commitment for a standard ALTA Owner's Policy of Title Insurance for the Unilock Property ("Title Binder") issued by the Title Company. The Title Binder shall include copies of all documents identified therein as exceptions to the title. The Title Binder shall describe the Land, name Buyer as the party to be insured thereunder and commit to insure the Buyer with indefeasible, good and marketable title in the full amount of the Purchase Price. The Title Binder shall list and identify by reference to volume and page, where recorded, all easements, rights-of-way and other instruments or matters affecting title to the Property. The City shall pay the cost of the ALTA Owner's Policy at Closing. Any endorsements (which may take the form of affirmative insurance covering, for example, restrictive covenants, encroachments, etc.) Buyer may desire shall be at Buyer's cost.

3.2 Survey/Plat. Within thirty (30) days after the Effective Date, the City shall provide Buyer with an ALTA survey of the Unilock Property (the "Survey"). City shall also cause the Land to be platted in order to legally transfer and convey fee ownership of the same to Buyer, to provide the Land with legal access to public right-of-way, and to permit construction of Buyer's proposed facilities on the same (the "Subdivision Plat"). City shall take any and all action to cause the Subdivision Plat to be prepared and approved prior to the expiration of the Due Diligence Period (defined below). Buyer shall reasonably cooperate and join in the execution of any applications or documentation related to the Subdivision Plat. The parties agree that the Subdivision Plat shall not be recorded until Closing.

3.3 Title Inspections. During the Due Diligence Period, Buyer shall have the opportunity to examine the Title Binder and the Survey and to give City written notice of any objection or objections thereto that relate to the title or any matter that adversely and materially affect Buyer's intended use of the Unilock Property. If Seller does not receive a written notice from Buyer within the Due Diligence Period setting forth Buyer's objections, then Buyer shall be irrevocably deemed to have accepted the state of title as shown on the Title Binder and the Survey. If Buyer makes any timely objections, then City shall have the option (but not the obligation) to correct such objections at any time prior to the Closing. In the event that City opts not to correct any objection of Buyer prior to the Closing, or City is not able to correct any such objection, then Buyer shall have the option either: (i) to waive such objections and elect to accept such title and Owner's Policy as City is able to deliver; or (ii) to declare this Contract to be null and void, and thereupon the Earnest Money shall be returned to Buyer and this Contract shall terminate, and neither party shall have any further obligations hereunder, except as otherwise provided in this Contract. Matters disclosed by the Title Binder and the Survey that

are not objected to by Buyer, or that are waived or accepted by Buyer as provided in this section, shall be the "Permitted Exceptions." Notwithstanding the foregoing, and anything in this Contract to the contrary, with regard to the standard printed exceptions and other common exceptions generally included in Title Binders, (a) there shall be no exception for "any lien, or right to a lien, for services, or material heretofore or hereafter furnished, imposed by law and not shown by the public records," and (b) the exception for ad valorem taxes or special assessments shall reflect only taxes and special assessments for the year of Closing and shall be annotated "Not yet due and payable". Furthermore, and notwithstanding the objection process set forth in this Section 3.3, City shall cause to be removed from the final Owner's Policy (or insure over) any financial lien or other financial encumbrance.

ARTICLE IV

Information, Inspections, Representations and Warranties

4.1 Information. The City shall not later than ten (10) days after the Effective Date hereof, deliver to Buyer legible, accurate and complete copies of the following (the "Delivery Items"):

(a) The most recent ad valorem tax statements from all taxing authorities having jurisdiction over the Project Property for the prior year and to the extent the current year's bills are not available, the current valuation notice;

(b) A list of all contracts or leases affecting the Project Property and copies of all such leases for contracts of maintenance, service, supply or rental outstanding which affect any portion of the Project Property or its operation;

(c) Existing site plans, surveys, soil and substrata studies, architectural renderings environmental reports, engineering plans and studies, landscape plans and other plans, diagrams or studies of any kind, if any, in the City's possession, which relate to the Project Property, together with all documents relating or pertaining to all warranties and guaranties of construction;

(d) Any information in City's possession regarding any springs, slews, or other site elements that may impact development of the Project Property; and

(e) Such information as Unilock may reasonably request related to the Excavation Work (defined below), including but not limited to invoices, receipts, work orders, compaction reports, completion reports, and as-built survey.

4.2 Inspections.

(a) For a period of sixty (60) days after the Effective Date (the "Due Diligence Period"), Buyer shall have the right, at Buyer's cost and expense, to conduct a complete inspection of the Unilock Property and to conduct any investigations regarding engineering, hazardous waste, zoning review, feasibility, physical and economic conditions affecting the Property, or feasibility studies of the Unilock Property as Buyer deems necessary or advisable in connection with the purchase of the Unilock Property.

During the Due Diligence Period, Buyer shall have reasonable access to the Unilock Property for the purpose of making such investigations as Buyer shall deem appropriate.

(b) If it should be determined by Buyer, in Buyer's sole discretion and judgment, that the Unilock Property is not suitable for the purposes which Buyer intends to utilize the Unilock Property or if Buyer has not obtained or does not believe it can obtain all items necessary in its opinion to utilize the Unilock Property, Buyer may give written notice to City on or before the expiration of the Due Diligence Period that this Contract is terminated and is null and void for all purposes. Upon receipt by the City of such written notice, the Earnest Money shall forthwith be promptly returned to Buyer and the parties hereto shall have no further obligation one to the other, except as otherwise provided in this Contract.

4.3 Representations and Warranties of the City. The City hereby represents and warrants as of the date hereof and as of the Closing Date that:

(a) The City shall convey fee simple title to the Unilock Property on or before the seventh (7th) day following the expiration of the Due Diligence Period.

(b) The City is not prohibited from consummating the transaction contemplated in the Contract, by any law, regulation, agreement, instrument, restriction, order or judgment.

(c) The City has full right, title, authority and capacity to execute and perform this Contract and to consummate all of the transactions contemplated herein, and the individuals of the City who execute and deliver this Contract and all documents to be delivered to Buyer hereunder are and shall be duly authorized to do so.

(d) As of the Closing Date, there shall be no tenant, lessee or other occupant of the Property having any right or claim to possession or use of the Unilock Property and exclusive possession of the Unilock Property shall be delivered by City to Buyer at the Closing, free of the rights or claims of any tenants, occupants or other parties in possession of, or having or claiming any right to possession or use of, the Unilock Property.

(e) There is no litigation or proceeding pending or, to City's current actual knowledge, threatened against or related to all or any part of the Project Property nor does City know of any basis for any such action.

(f) City has made no agreements, representations, or commitments to any governmental agency or public authority, utility company, or school district relating to any portion of the Unilock Property, which agreement, representation or commitment imposes an obligation upon City (or would impose an obligation on Buyer) to make any contributions or dedications of money or land, or to construct, install, or maintain any improvements of a public nature on or off the Project Property, except as set forth in this Contract.

(g) There are no recorded or, to City's actual knowledge, unrecorded easements or agreements which would limit or prevent the Buyer's use and/or development of the Unilock Property as a landscape design and paver business operation not disclosed in the Title Binder.

(h) As of the Closing, the Unilock Property is and will be zoned so as to permit the legal conforming operation of a concrete paver and retaining wall manufacturing business operation, including warehousing and distribution operations. The Project Property is not in violation of any zoning law, use restriction, or subdivision regulation.

(i) City has not received a notice from any governmental agency that the Project Property or any portion thereof is in violation of any federal, state or local laws, regulations or orders or common and case law pertaining to health, safety, sanitation or environmental protection (including, without limitation, the surface water, ground water, drinking water supply, land, surface and subsurface strata and ambient air).

ARTICLE V
Conditions Precedent to Buyer's
Obligation to Close

5.1 Buyer's obligation to consummate the transactions contemplated hereunder is conditioned upon satisfaction of each of the following conditions at or prior to the Closing (or such earlier date as is specified with respect to a particular condition):

(a) None of the representations and warranties of the City set forth in Article IV hereof shall be untrue or inaccurate in any material respect.

(b) The Subdivision Plat shall be approved and recorded.

(c) A final development plan or site plan and design guidelines in form acceptable to Unilock shall have been approved by the governing body of the City.

(d) City shall have completed the Initial City Improvements (defined below).

In the event that any of the above conditions are not met at or prior to the Closing, then Buyer shall have the option either: (i) to waive such conditions and proceed with Closing; or (ii) to declare this Contract to be null and void, and thereupon the Earnest Money shall be returned to Buyer and this Contract shall terminate, and neither party shall have any further obligations hereunder, except as otherwise provided in this Contract.

ARTICLE VI
Closing

6.1 Time and Place of Closing. Provided that all of the conditions of this Contract shall have been satisfied or waived, the Closing of this transaction shall take place at the Title Company on that date which is seven (7) days after the later of (a) expiration of the Due

Diligence Period, or (b) completion of the Initial City Improvements, unless otherwise mutually agreed to in writing by the parties.

6.2 Events of Closing. At the Closing:

(a) The City shall deliver to Buyer the following:

(i) A Special Warranty Deed in the form attached hereto as Exhibit C, duly executed and acknowledged by the City, conveying to Buyer the Unilock Property in indefeasible fee simple free and clear of any lien, encumbrance or exception other than the Permitted Exceptions.

(ii) Possession of the Unilock Property (subject only to the Permitted Exceptions); and

(iii) All other documents reasonably necessary or appropriate to consummate this transaction as the Title Company may reasonably require.

(b) Buyer shall deliver to the City the following:

(i) The balance of the Purchase Price by wire transfer; and

(ii) Such evidence of the authority and capacity of Buyer and its representatives as the City or the Title Company may reasonably require.

6.3 Expenses. The City shall pay its proportionate share of the prorations as set forth in Section 6.4 hereof, the escrow fee charged by the Title Company, the recording fees, the premium for the Owner's Policy of Title Insurance (excluding any endorsements required by Buyer, which shall be paid solely by Buyer), the cost of the Survey and Subdivision Plat, and its own attorneys' fees. Buyer shall pay its proportionate share of the prorations as set forth in Section 6.4 hereof and its own attorneys' fees. Except as otherwise provided in this Section, all other expenses hereunder shall be paid by the party incurring such expenses.

6.4 Prorations. Real property ad valorem taxes and installments of current year special assessments shall be prorated to the Closing, based upon actual days involved. The City shall be responsible for all ad valorem taxes or installments of special assessments attributable to any period prior to the Closing. In connection with the proration of real and property ad valorem taxes, if actual tax figures for the year of Closing are not available at the Closing Date, the proration shall be based upon the tax figures from the preceding year. The City shall, on or before the Closing Date, furnish to Buyer and the Title Company all information necessary to compute the prorations provided for in this Section.

6.5 Costs for Excavation Work. Contemporaneously with the Initial City Improvements (defined below), City has performed certain excavation work on the Land so as to allow for a gravel base and product storage (the "Excavation Work"). At the Closing, Unilock agrees to pay the City for the Excavation Work in an amount not to exceed \$138,000.00.

ARTICLE VII
Development of the Project Property and the Unilock Property

7.1 Initial City Improvements.

(a) The City agrees to construct certain infrastructure and site improvements to the Unilock Property prior to or following the Closing pursuant to the terms of this Article VII and otherwise known as the "Initial City Improvements". The Initial City Improvements shall consist of:

- (i) site grading to prepare the site for final site construction (grading shall be understood to generally mean a properly compacted and graded pad site with grades generally on the order of 2.00%);
- (ii) the extension of the existing of a 6" water main and 4" sanitary sewer force main from their present location to a point near the northwest corner of the Unilock Property; and
- (iii) the establishment of fiber for communication and also single-phase electrical power to points adjacent to the site.

The Initial City Improvements shall otherwise conform to those requirements and specifications, and be installed in such locations, as set forth on Exhibit D which is attached hereto and incorporated herein by this reference. The Initial City Improvements shall be constructed so as to accommodate and support the Unilock Property as it is intended to be developed pursuant to the final development plan prepared by Buyer and approved by City (as set forth above), and in any event, in accordance with City standards and requirements and plans reasonably approved by Buyer.

(b) City agrees to complete construction of the Initial City Improvements by September 30, 2017, subject to Force Majeure (defined below). The parties hereby agree that construction of such Initial City Improvements may commence prior to the Closing, in which event the cost of such work (or any portion thereof) shall be funded by the Earnest Money; provided, that City's use of such Earnest Money shall not relieve City or the Title Company from returning any portion of the Earnest Money if Buyer has a right to the return of such Earnest Money under the terms of this Contract.

7.2 Additional City Improvements.

(a) City shall, on a post-Closing basis, extend single-phase electric power, gas, and a new road to the Unilock Property (the "Additional City Improvements"). The Additional City Improvements shall otherwise conform to those requirements and specifications, and be installed in such locations, as set forth on Exhibit E which is attached hereto and incorporated herein by this reference. The Additional City Improvements shall be constructed so as to accommodate and support the Unilock Property as it is intended to be developed pursuant to the final development plan prepared

by Buyer and approved by City (as set forth above), and in any event, in accordance with City standards and requirements and plans reasonably approved by Buyer.

(b) City agrees to complete construction of the Additional City Improvements within two (2) calendar years after the date of Closing, subject to Force Majeure. The parties hereby agree that construction of such Additional City Improvements shall be performed at City's sole cost and expense.

7.3 Indemnity and Insurance.

(a) During its performance of the Initial City Improvements and the Additional City Improvements, Grantor agrees that it will protect Unilock's property from any damage, injury or loss arising from City' use of the Unilock Property post-Closing, and restore the Unilock Property above to as near the original condition as possible (subject to the Initial City Improvements and the Additional City Improvements themselves).

(b) City shall indemnify, protect, defend and hold harmless Buyer from and against any and all damages or expense, including attorneys' and paralegals' fees, directly or indirectly arising from, relating to or associated with any actual: (i) negligent actions or willful misconduct of City or its employees, agents, representatives, or City's general contractor, subcontractors or sub-subcontractors, or any employees, agents, representatives or contractors of any of the foregoing; (ii) lien, security interest, claim or encumbrance in favor of any person or entity making a claim by reason of having provided labor, materials or equipment; (ii) any injury, damage, harm or loss directly or indirectly arising from, relating to or in any manner connected with the "release" or "threatened release" of hazardous materials, contaminants, oil or radioactive materials as a result of or connected with any acts, errors, or omissions of City or persons employed by or working under contract with Seller; and (iv) breach, violation or default by Seller or its employees, agents, representatives, or Seller's general contractor, subcontractors or sub-subcontractors, or any employees, agents, representatives or contractors of any of the foregoing, of City's obligations, including, without limitation, any violation of any law, statute, ordinance, order, rule or regulation.

(c) From the date on which any work by City on the Initial City Improvements and the Additional City Improvements shall first commence until the date all work by City shall be completed and accepted hereunder (and, if required, until the same shall have been accepted by the applicable public utility company or governmental authority having jurisdiction as herein provided), City shall maintain in force and cause to be maintained in force by any of its contractors, subcontractors, and agents such types and amounts of insurance as are typical for projects of the scope and size of the Initial City Improvements and the Additional City Improvements, which insurance shall be issued by an insurer authorized to transact business in the State of Kansas. Upon request, City shall provide Seller a certificate of insurance evidencing compliance with the insuring obligations set forth in this Section.

7.4 Unilock Improvements.

(a) On a post-Closing basis, Unilock shall have an obligation to construct a storage facility, including outdoor storage, on those approximately [REDACTED] acres of the Land labelled as the "Northern Portion" on Exhibit F which is attached hereto and incorporated herein by this reference ("Phase 1"), within [REDACTED] calendar months after the date that City completes the Additional City Improvements, subject to Force Majeure. Phase 1 shall be developed in accordance with City standards and requirements, and in accordance with the final development plan and site plan prepared by Buyer and approved by City (as set forth above).

(b) On a post-Closing basis, Unilock will occupy the Northern Portion with a temporary structure to begin operations. In the interest of economic development and the generation of tax revenue, the City agrees to defer enforcement of the zoning ordinance for a period of 12 months in order to allow the temporary structure on the Northern Portion. On or before November 1, 2018, Unilock agrees to cease operations from the temporary structure and begin operations in a completed permanent structure. If Unilock does not cease operations from the temporary structure on or before (date), 2018, the City will enforce the zoning ordinance, and such temporary structure will be deemed to be in violation of the zoning ordinance and Unilock may be subject to penalties in accordance with Section 28 of the zoning ordinance

(c) On a post-Closing basis, the parties agree that Unilock intends to construct an office, warehouse, and/or manufacturing facility of approximately 40,000 square feet, with associated infrastructure work (collectively, "Phase 2") on the Northern Portion. Unilock intends to proceed with Phase 2 if, by November 30, 2020, Unilock's sales revenue for the region (such region being approximately as identified on Exhibit G attached hereto) meets or exceeds \$10 million cumulatively (as reasonably determined by Unilock, in accordance with its standard accounting and revenue-tracking practices), in accordance with the following:

- (i) Unilock shall notify the City by no later than November 30, 2020 (the "Notice Date"), as to whether Unilock intends to proceed with Phase 2.
- (ii) If Unilock fails to give timely notice of its intent to proceed, or if Unilock notifies City that it is not able to proceed with Phase 2, then Unilock and City shall have thirty (30) days to mutually agree on an 18-month extension of the Notice Date; provided, that neither party shall be required to agree to any such extension. If the Notice Date is so extended, then the provisions of this Section 7.4(b) shall apply to such extended Notice Date.
- (iii) If Unilock notifies the City that it will not proceed with Phase 2, or if Unilock and City are unable to agree as to an extension of the Notice Date, then City shall have such remedies as are provided in subsection 7.4(d) below.

(d) If Unilock notifies the City by the Notice Date, as extended, that it intends to proceed with Phase 2, then Unilock shall then have an obligation to construct Phase 2. Unilock will incorporate into Phase 2 a minimum initial capital investment of \$18,900,000.00 (U.S.) (which may include: building costs; vertical improvements; site work, excavation, and base work; concrete/pad work; pavement, gravel/rock, and asphalt; utilities and lighting; and landscaping). Phase 2 shall be developed in accordance with City standards and requirements, and in accordance with the final development plan and site plan prepared by Buyer and approved by City (as set forth above). Unilock must commence construction of Phase 2 within twelve (12) calendar months after the Notice Date, as extended, and diligently pursue the same to completion such that substantial completion for Phase 2 shall be on or before that date which is eighteen (18) calendar months after the Notice Date, subject only to Force Majeure.

(e) If Unilock fails to give notice by the Notice Date of its intent (subject to its right to cure, as provided in Section 9.2 below), or if Unilock notifies City that it is not able to proceed with Phase 2, or if Unilock and City should fail to agree on an extension of the Notice Date within thirty (30) days as set forth in subsection 7.4(b)(ii) above, or if Unilock fails to timely satisfy its obligations as set forth in subsection 7.4(c), then Unilock shall either, at City's option:

- (i) promptly convey back to the City that portion of the Land consisting of approximately [REDACTED] acres labelled as the "Southern Portion" on Exhibit F, attached hereto and incorporated herein by this reference (with no encumbrances or restrictions which were not in existence as of the Closing); or
- (ii) pay to the City a premium additional purchase price for the Southern Portion of the Land (the "Premium"), calculated as follows: If City and Unilock are unable to agree upon the Premium, then Unilock shall designate an appraiser in writing to City. Within ten (10) days after the date of Unilock's written designation, City shall either accept Unilock's appraiser or shall provide Unilock with the name of a second appraiser. If City accepts Unilock's appraiser, then within thirty (30) days after such acceptance, such appraiser shall prepare a report stating the appraiser's opinion as to the fair market value of the Southern Portion of the Land only, based on a consideration of comparable properties of equivalent quality, size, utility, and location. The result of such appraisal shall be controlling on the parties. If City instead designates a second appraiser, the two designated appraisers shall designate a third appraiser having the qualifications set forth below within ten (10) days thereafter. Within twenty (20) days after the selection of the third appraiser, each party's appraiser shall submit to the third appraiser a written report stating such appraiser's opinion of the fair market value of the Southern Portion of the Land, based on a consideration of comparable properties of equivalent quality, size, utility, and

location. Within thirty (30) days after receipt of such reports, the third appraiser shall accept one or the other of the reports. The result of such appraiser's determination shall be controlling on the parties. Any appraiser designated pursuant to this paragraph shall be a certified appraiser with at least five (5) years' experience in valuing industrial real estate rental values in the area where the Land is located. All costs in connection with the appraisals described in this paragraph shall be shared equally by the parties.

7.5 Force Majeure. For purposes of this Contract, the term "Force Majeure" means: acts of God; strikes; lockouts; labor troubles; inability to procure materials; inclement weather; governmental laws or regulations; casualty; orders or directives of any legislative, administrative, or judicial body or any governmental department; inability to obtain any governmental licenses, permissions or authorities (despite commercially reasonable pursuit of such licenses, permissions or authorities); and other similar or dissimilar causes beyond the performing party's reasonable control.

7.6 Survival. The parties agree that the rights and obligations of the parties as set forth in this Article VII shall survive the Closing and shall be included in the Special Warranty Deed from the City to Unilock.

ARTICLE VIII

Damage to Property and Condemnation

8.1 The City agrees to give Buyer prompt notice of any casualty affecting the Land or Initial City Improvements between the date hereof and the Closing Date or of any actual or threatened taking or condemnation of all or any portion of the Land or Improvements. If prior to the Closing there shall occur any damage to the Unilock Property or taking or condemnation of any portion of the Unilock Property, then in any such event Buyer may at its option terminate this Contract by written notice to the City within five (5) days after Buyer has received the notice referred to above or at the Closing, whichever is earlier. If Buyer so terminates this Contract, the Earnest Money shall forthwith be promptly returned to Buyer and the parties hereto shall have no further obligation one to the other, except as otherwise provided in this Contract. If Buyer does not so elect to terminate this Contract, then the Closing shall take place as provided herein without abatement of the purchase price, and there shall be assigned to Buyer at the Closing all of the City interest in and to all insurance proceeds or condemnation award.

ARTICLE IX
Default and Remedies

9.1 Default by the City. If the City defaults hereunder prior to Closing, Buyer may, as its exclusive remedy, terminate this Contract by notice to Buyer and receive a refund of the Earnest Money. If City defaults after the Closing (including but not limited to failure to perform as required under Article VII), then Unilock shall have such remedies as may be provided under Kansas law, including but not limited to a cause of action for damages and/or a cause of action for specific performance.

9.2 Default by Buyer. Buyer shall be in default hereunder if Buyer shall fail to satisfy any material covenant, agreement or obligation on its part hereunder, for any reason other than a default by the City hereunder and fails to cure such default within twenty (20) days of written notice of such default from the City. If Buyer defaults hereunder prior to Closing, the City, as its sole and exclusive remedy for such default, shall be entitled to terminate this Contract by notice to Buyer and retain Buyer's Earnest Money, it being agreed between Buyer and the City that such sum shall be liquidated damages for a default of Buyer hereunder because of the difficulty, inconvenience, and the uncertainty of ascertaining actual damages for such default. If Buyer defaults on its post-Closing obligations as set forth in Article VII, then City shall be entitled to such remedies as are set forth in Article VII.

9.3 Attorney's Fees. If it shall be necessary for either Buyer or the City to employ an attorney to enforce its rights pursuant to this Contract because of the default of the other party, the defaulting party shall reimburse the non-defaulting party for reasonable attorney's fees.

ARTICLE X
Interim Responsibilities of the Port Authority and the City

10.1 The City agrees that, except for construction of the Improvements, during the period between the date of this Contract and the Closing Date:

(a) The Unilock Property shall be maintained in the same fashion as has been and the City shall keep and perform all obligations of owner of the Unilock Property under any Permitted Exceptions, applicable laws and any mortgage(s) applicable to the Unilock Property.

(b) The City shall not enter into any agreement with respect to the leasing, operation or maintenance of any portion of the Unilock Property, which shall survive Closing, without the prior written consent of Buyer.

All risk of loss shall be borne by the City until acceptance by Buyer of delivery of the City's deed at the Closing.

ARTICLE XI
Brokerage Commission

Each party represents that it has not engaged a broker or realtor with respect to this Contract or the transaction contemplated hereto, except for KW Commercial ("Buyer's Broker"),

to which the City shall pay a commission in an amount not to exceed \$18,000.00 in the event this transaction closes. Except as set forth above, each party agrees to indemnify and hold the other party harmless from any loss, liability, damage, cost or expense (including, without limitations reasonable attorney's fees) actually paid or incurred by such party by reason of any claim to any broker's, finder's or other fee in connection with this transaction by any party claiming by, through or under the indemnifying party.

ARTICLE XII
Miscellaneous

12.1 Notices. All notices, demands, requests and other communications required or permitted hereunder shall be in writing, and shall be deemed delivered upon deposit by express mail or with a nationally recognized overnight courier for next business day delivery, and addressed to the addressee at its address set forth below or at such other address as such party may have specified theretofore by notice delivered in accordance with this Section:

To the City: City of Tonganoxie, Kansas
Attn. City Manager
526 E. 4th Street
Tonganoxie, Kansas 66086

With a Copy to: Shannon Marcano, Esq.
Bushyhead LLC
Village Square
4436 State Line Rd.
Kansas City, Kansas 66103

If to Buyer: Unilock Chicago, Inc.
Attn. Mr. Brad Gesbocker
General Manager
301 E. Sullivan Road
Aurora, Illinois 60505

With a Copy to: David E. Waters, Esq.
Lathrop & Gage LLP
10851 Mastin Blvd., Suite 1000
Overland Park, Kansas 66210

12.2 Governing Law, Venue. The laws of the State of Kansas shall govern the validity, enforcement, and interpretation of this Contract.

12.3 Integration; Modification; Waiver. This Contract constitutes the complete and final expression of the agreement of the parties relating to the Property, and supersedes all previous contracts, agreements, and understandings of the parties, either oral or written, relating to the Unilock Property. This Contract cannot be modified, or any of the terms hereof waived, except by an instrument in writing (referring specifically to this Contract) executed by the party against whom enforcement of the modification or waiver is sought.

12.4 Counterpart Execution. This Contract may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument.

12.5 Headings, Construction. The headings which have been used throughout this Contract have been inserted for convenience of reference only and do not constitute matter to be construed in interpreting this Contract. Words of any gender used in this Contract shall be held and construed to include any other gender and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise. The words "herein," "hereof," "hereunder" and other similar compounds of the word "here" when used in this Contract shall refer to the entire Contract and not to any particular provision or section. If the last day of any time period stated herein shall fall on a Saturday, Sunday or legal holiday, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday.

12.6 Invalid Provisions. If any one or more of the provisions of this Contract, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Contract and all other applications of any such provision shall not be affected thereby.

12.7 Binding Effect. This Contract shall be binding upon and inure to the benefit of City and Buyer, and their respective successors and assigns. Buyer may assign its rights under this Contract to an affiliate without the consent of the City. Upon acceptance of any assignment by the assignee and the assumption of Buyer's obligations hereunder, Buyer shall be relieved of all duties and obligations hereunder. The City shall not assign its interest hereunder without the prior written consent of Buyer.

12.8 Further Acts. In addition to the acts recited in this Contract to be performed by the City and Buyer, City and Buyer agree to perform or cause to be performed at the Closing or after the Closing any and all such further acts as may be reasonably necessary to consummate the transactions contemplated hereby.

IN WITNESS WHEREOF, the undersigned have caused this Contract to be executed on the dates set forth below.

CITY OF TONGANOXIE, KANSAS

_____, 2017

By: _____
Jason Ward, Mayor

ATTEST:

City Clerk

UNILOCK CHICAGO, INC.

_____, 2017

By: _____

Name: _____

Title: _____

EXHIBIT A TO CONTRACT

LEGAL DESCRIPTION OF THE PROJECT PROPERTY

LOT 1 THROUGH 6, AND TRACT A, TONGANOXIE BUSINESS PARK, PART OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 11 SOUTH, RANGE 21 EAST, OF THE SIXTH PRINCIPAL MERIDIAN, IN THE CITY OF TONGANOXIE, LEAVENWORTH COUNTY, KANSAS, ACCORDING TO THE RECORDED PLAT THEREOF.

EXHIBIT B TO CONTRACT

LEGAL DESCRIPTION OF THE UNILOCK PROPERTY

LOT 5, TONGANOXIE BUSINESS PARK, PART OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 11 SOUTH, RANGE 21 EAST, OF THE SIXTH PRINCIPAL MERIDIAN, IN THE CITY OF TONGANOXIE, LEAVENWORTH COUNTY, KANSAS, ACCORDING TO THE RECORDED PLAT THEREOF.

EXHIBIT B TO CONTRACT, CONT.

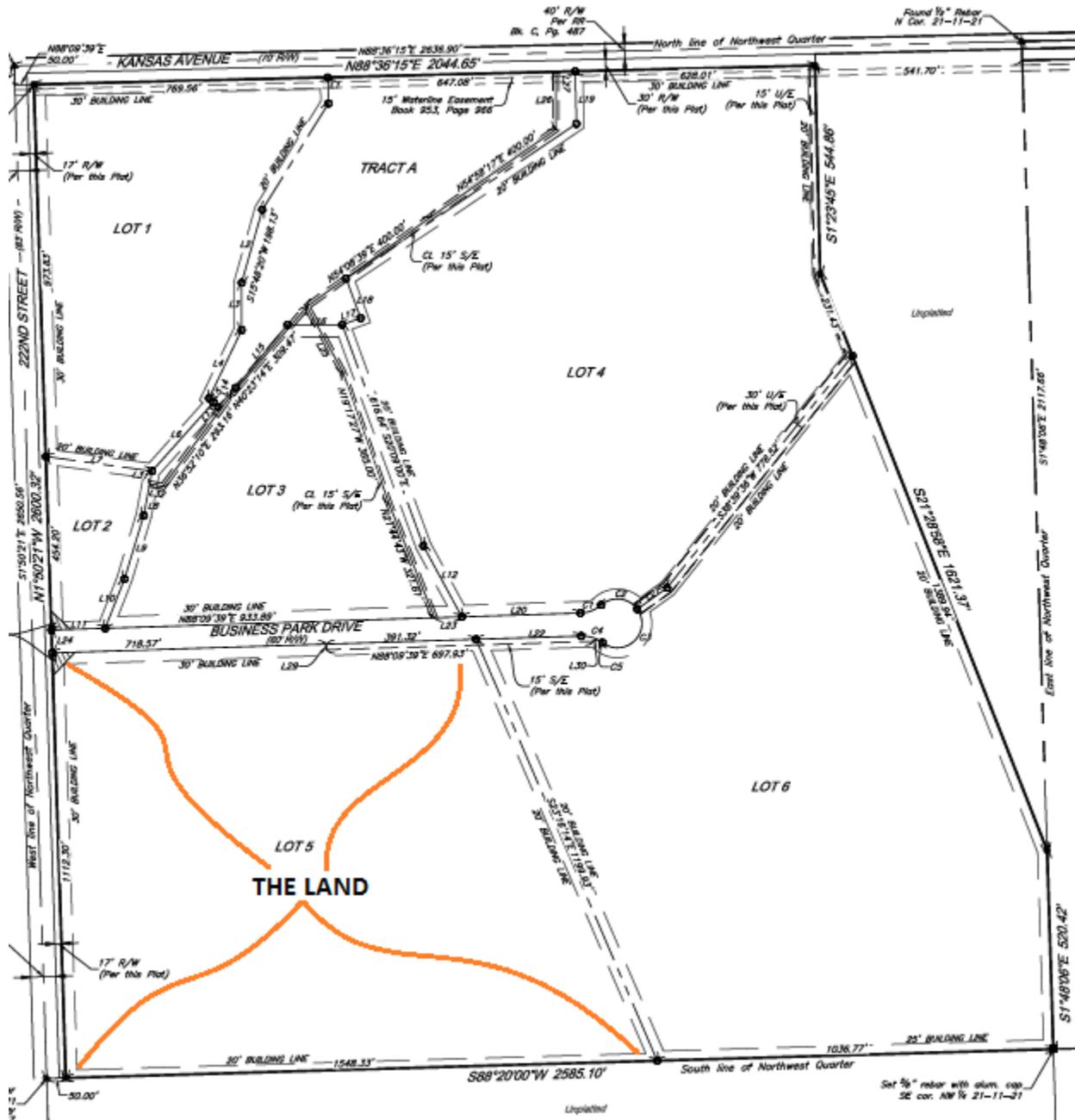


EXHIBIT C TO CONTRACT

SPECIAL WARRANTY DEED FORM

[Above Space Reserved for Register of Deeds]

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, is executed as of the date set forth below and is effective as of the ___ day of _____, 20__ (notwithstanding its prior execution), by and between the CITY OF TONGANOXIE, KANSAS (the "Grantor") and UNILOCK CHICAGO, INC., an Illinois corporation ("Grantee").

WITNESSETH, that Grantor, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to Grantor duly paid, the receipt of which is hereby acknowledged, does by these presents SELL and CONVEY unto Grantee and Grantee's successors and assigns all of the real property described on Exhibit A, attached hereto and incorporated herein by this reference in Leavenworth County, Kansas (the "Property"),

SUBJECT TO: Those Permitted Exceptions set forth on Exhibit B attached hereto and incorporated herein by this reference.

AND ALSO SUBJECT TO THE FOLLOWING: The terms and conditions of that certain Real Estate Contract of Sale between Grantor and Grantee dated as of [REDACTED], 20__ (the "Contract") and provisions therein related to development of the Property on a post-Closing basis. The Contract is incorporated herein by this reference and notice is hereby given of the Contract and all of its terms, covenants, and conditions to the same extent as if the Contract were fully set forth herein. The foregoing does not purport to show all of the terms and provisions of the Contract and is not a complete summary of the Contract or the obligations of the parties with respect thereto. The provisions of this Deed shall not be construed to interpret, vary or modify the terms, covenants, conditions and provisions of the Contract and in the event of any conflict between the terms hereof and the terms of the Contract, the terms of the Contract shall be exclusively controlling.

TO HAVE AND TO HOLD the Property with all and singular the tenements, hereditaments, appurtenances, rights, privileges and easements thereto belonging or in any wise appertaining, unto Grantee and Grantee's successors and assigns, forever; Grantor hereby covenanting that (i) the Property is free and clear from any encumbrance done or suffered by Grantor, except for set forth herein, and (ii) Grantor will warrant and defend the title to the Property unto Grantee and Grantee's successors and assigns forever against the lawful claims and demands of all persons claiming or to claim the same by, through or under Grantor, except as set forth herein.

IN WITNESS WHEREOF, Grantor has caused this Deed to be executed the day and year first above written.

CITY OF TONGANOXIE, KANSAS

_____, 2017

By: _____
Jason Ward, Mayor

STATE OF KANSAS)
) ss:
COUNTY OF LEAVENWORTH)

On _____, 20__, this deed was acknowledged before me by Jason Ward, the Mayor of the City of Tonganoxie, Kansas, on behalf of City.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official the day and year last above written.

My Commission Expires:

Notary Public

EXHIBIT A TO SPECIAL WARRANTY DEED

[To be updated as platted pursuant to the Subdivision Plat]

A tract of land being part of the Northwest Quarter of Section 21, Township 11 South, Range 21 East of the Sixth Principal Meridian, in the City of Tonganoxie, Leavenworth County, Kansas, more particularly described as follows:

Commencing at the Southwest Corner of said Northwest Quarter; thence North 88°20'00" East, along the South line of said Northwest Quarter, a distance of 33.00 feet, to the Point of Beginning, said point also being on the East Right-of-Way line of 222nd Street, as now established; thence North 01°50'21" West, along said East Right-of-Way line, a distance of 1,112.25 feet; thence North 88°09'39" East, departing said East Right-of-Way line, a distance of 1,126.89 feet; thence South 23°16'14" East, a distance of 1,199.93 feet, to a point on said South line of the Northwest Quarter; thence South 88°20'00" West, along said South line, a distance of 1,565.33 feet, to the Point of Beginning, containing 1,499,864.13 square feet, or 34.43 acres, more or less.

EXHIBIT B TO SPECIAL WARRANTY DEED

[Permitted Exceptions]

To be established and completed at Closing

EXHIBIT D TO CONTRACT

INITIAL CITY IMPROVEMENTS

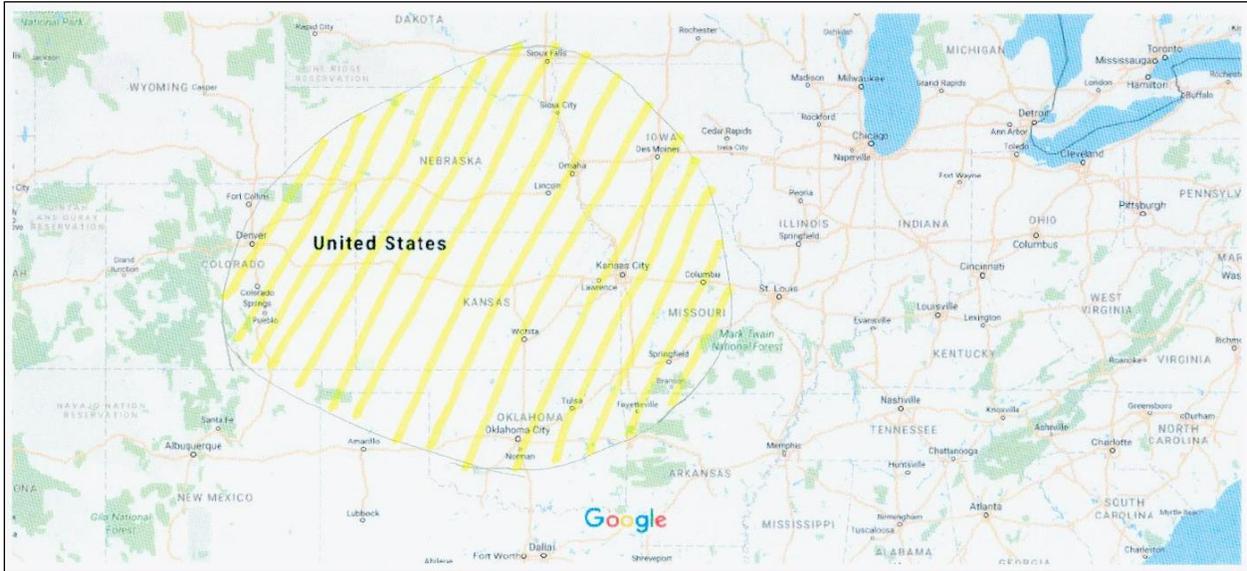
[Attach further details, drawings, or specifications]

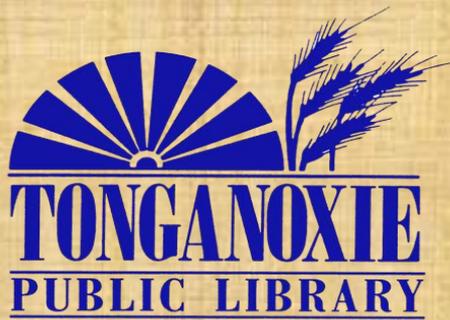
EXHIBIT E TO CONTRACT

ADDITIONAL CITY IMPROVEMENTS

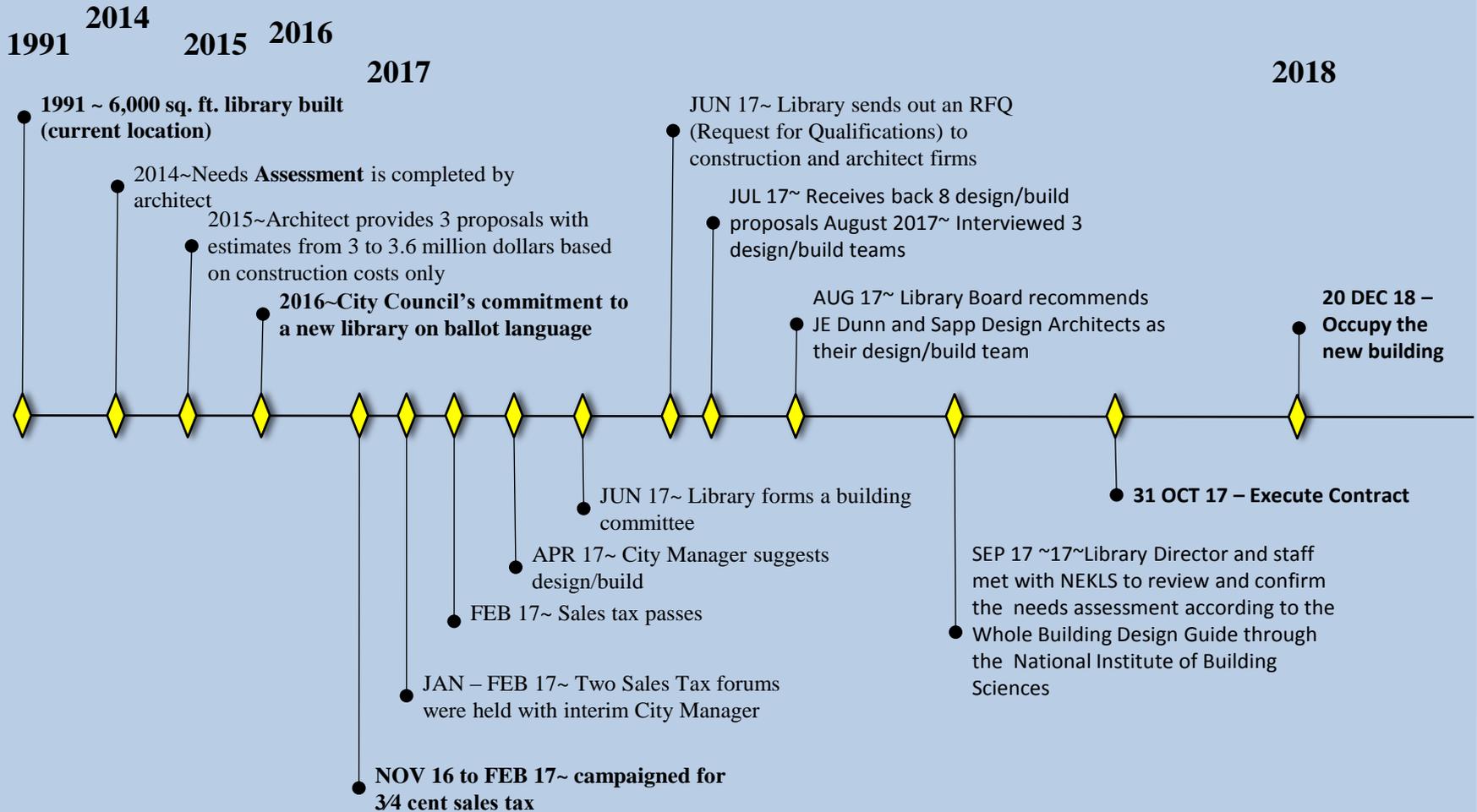
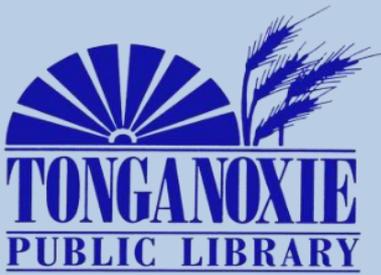
[Attach further details, drawings, or specifications]

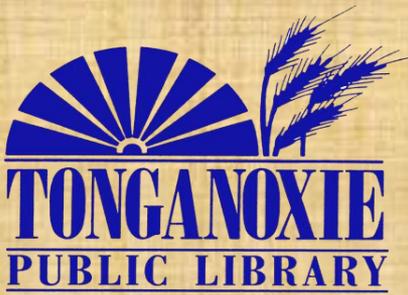
EXHIBIT G TO CONTRACT
APPROXIMATE SALES REGION





Tonganoxie's New Library Project





Tonganoxie, Kansas Has Grown

 Late 1960's-Population of 1,354

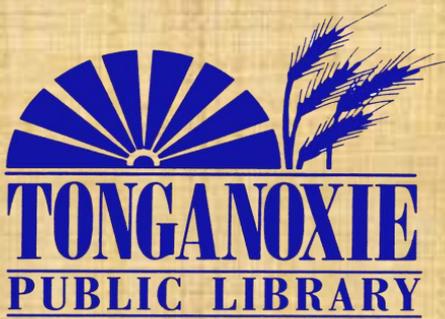
 Today- Population of 5,326

 Forecasted growth-7.16% every 5 years (roughly 382 individuals) *Kansas City Business Journal, 2015.

 Forecasted population: 7,023 population in 2037*

Library usage has also grown...

 In 2016, we had 59,899 visits and so far in 2017....
57,927 (up by 15,000 visits YTD); estimated total visits
to reach 78,585 visits by the end of 2017



Who uses the Tonganoxie Public Library?



As of August 2017:

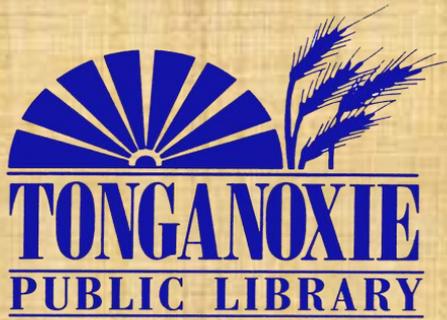
~5,109 Total Tonganoxie Public Library
Cardholders



Of that total:

~3,645 Adult Cardholders

~1,464 Juvenile Cardholders



Libraries are for Everyone!

The Tonganoxie Public Library serves every demographic

 Children

 Young Adults

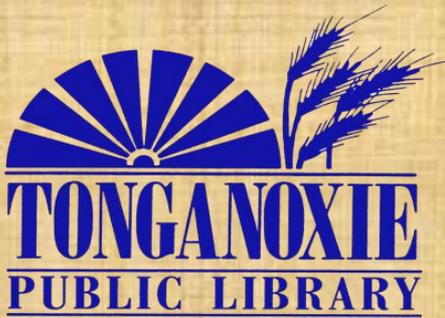
 Families

 Business Professionals

 Adults from every walk of life

 Retirees

.....providing resources that **significantly**
improve the quality of life.

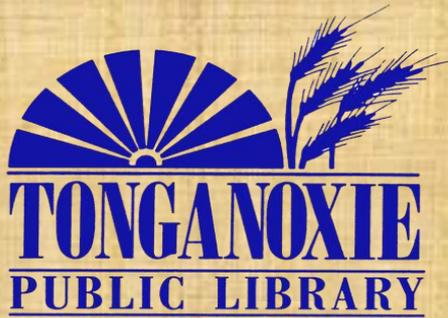


Children and Teen Programs

 14 ongoing programs with a total of 12,398 visits
YTD

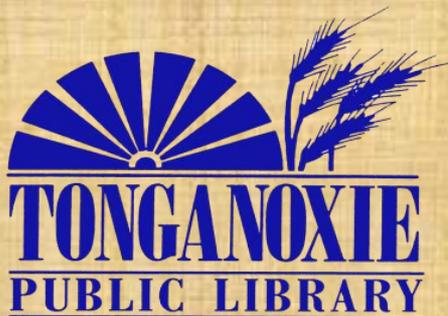
Adult Programs

 8 ongoing programs with a total of 1,130 participants
YTD



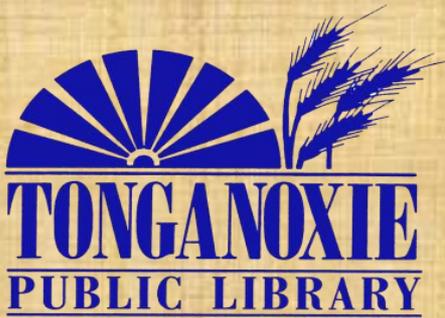
Chieftain Café

-  Started in January 2017
-  Hours are M-F, 3:30-5:00pm
-  Serves ages 2 to 18 years
-  **7,798 visits since opening in January**
-  Originally funded by Pete and Margaret Leighty grant
-  Current funding partners: Good Shepherd Thrift Store and Lawrence Memorial Hospital



Requested services unable to provide due to lack of space...

- 📖 Safe Room access during inclement weather
- 📖 Study rooms for commuters and students
- 📖 Quiet space between the adult and children's area
- 📖 Storage for wheelchairs and strollers
- 📖 Regular storage for books, office supplies, etc.
- 📖 More parking spaces especially handicap spots
- 📖 Office space for staff



Requested services unable to provide due to lack of space...

- 📖 Increase selection of books, audiobooks, and online resources
- 📖 Workforce development
- 📖 Cooking/life skill classes
- 📖 Technology/computer classes
- 📖 GED support rooms
- 📖 AA/NA/Community group space for meetings



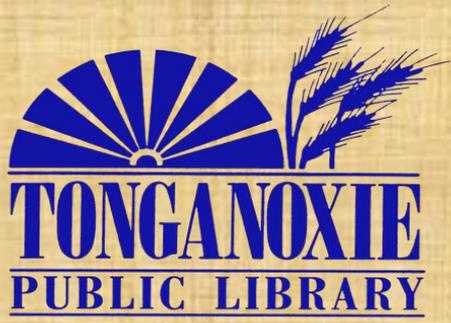
The Library desperately needs
more space.....

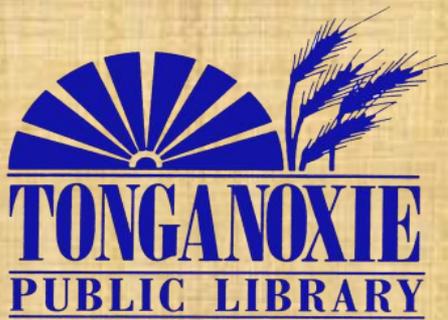




TONGANOXIE
PUBLIC LIBRARY

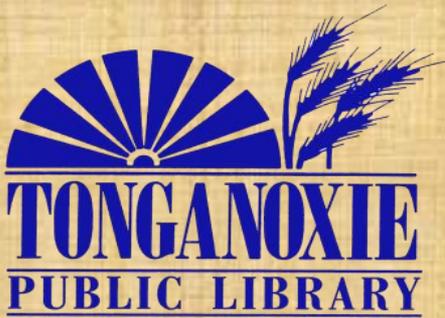






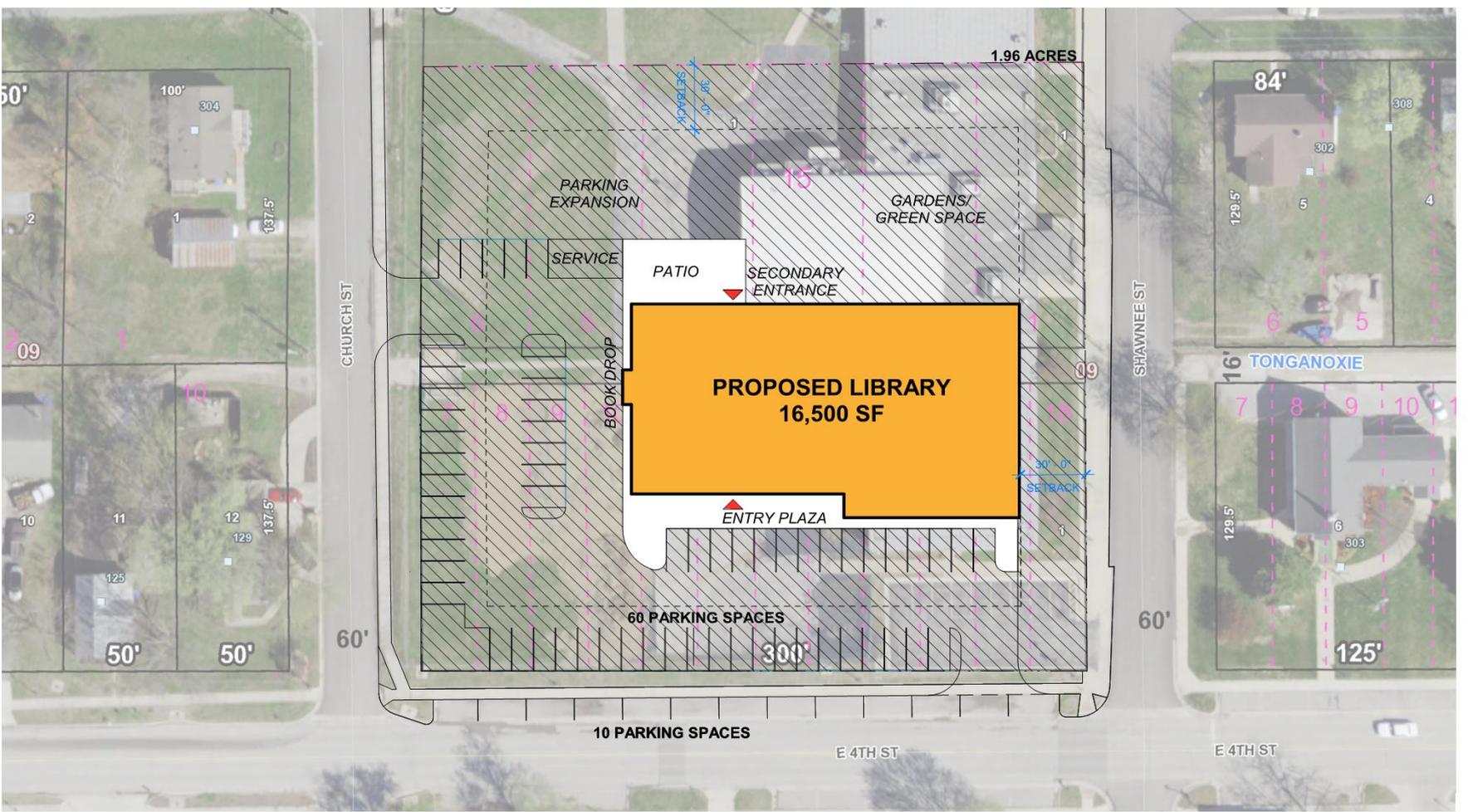
Libraries and Return on Investment

- 📖 Public Libraries have a positive impact on their local economy....far greater than the cost for the service
- 📖 Most U.S. studies show at least a **\$4-\$5 return on every \$1** of money invested in their public library
(Conger, A (2014). Ask, Assess, Advocate: Demonstrating the value of the library)



Summary

 Based on the Needs Assessment completed with NEKLS (Northeast Kansas Library Systems), standards of the Whole Building Design Guide, and the forecasted population growth, we recommend that the building size needs to be 16,500 square feet



Tonganoxie Library
Tonganoxie, KS
September 30, 2017
Concept Estimate

Project Cost Summary

<i>Description</i>	<i>Quantity</i>	<i>Cost</i>	<i>Unit Cost</i>
Demolition (building & site)	1 LS	By Others	
Right of Way Improvements	1 LS	Not Included	
Sitework	1 LS	590,124	35.77
1 Story Library	16,500 SF	3,426,438	207.66
Construction Subtotal	16,500 SF	4,016,562	\$243.43
Design Fees & Reimbursables	9.62%	386,300	23.41
Owner Items	6.22%	250,000	15.15
Design Contingency	0.00%	0	0.00
Construction Contingency	4.00%	Included	0.00
Escalation to 2nd Qtr 2018	2.00%	Included	0.00
Total Construction Cost	16,500 SF	\$4,652,862	\$281.99

Tonganoxie Library
Tonganoxie, KS
September 30, 2017

Concept Estimate

Sitework

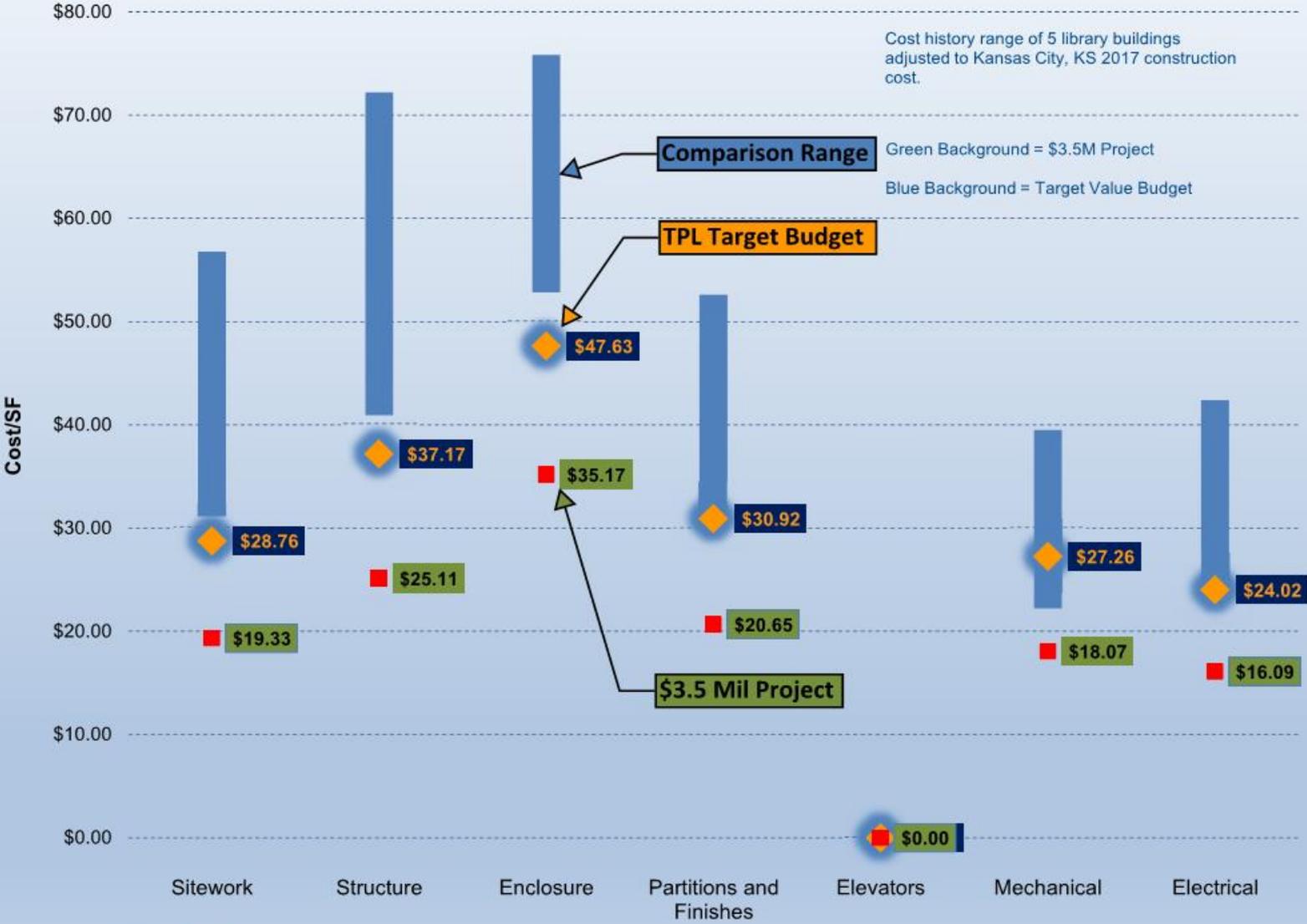
<i>Item</i>	<i>Description</i>	<i>Cost</i>
1	General Requirements	39,816
2	Excavation and Grading	82,866
3	Asphalt Paving	65,182
4	Concrete Work	87,820
5	Site Structures	0
6	Fencing	0
7	Specialty Paving	0
8	Signage and Striping	12,164
9	Site Specialties	15,903
10	Site Utilities	27,233
11	Storm Drainage Systems	41,933
12	Fire Protection	51,710
13	Landscaping and Irrigation	38,499
14	Electrical	51,231
	Subtotal	514,359
	Permits, Bonds and Insurance	21,835
	Contingency	21,448
	Escalation to 2nd Qtr 2018	11,153
	Fee	21,330
	Total	\$590,124

Tonganoxie Library
Tonganoxie, KS
September 30, 2017
Concept Estimate

1 Story Library
16,500 SF

<i>Item</i>	<i>Description</i>	<i>Cost</i>	<i>Cost/SF</i>
1	General Requirements	231,184	14.01
2	Demolition	0	0.00
3	Excavation	63,849	3.87
4	Structure	549,435	33.30
5	Enclosure	358,780	21.74
6	Rough Carpentry	21,529	1.30
7	Finish Carpentry	34,040	2.06
8	Roofing and Sheet Metal	163,191	9.89
9	Thermal and Moisture Protection	66,532	4.03
10	Doors and Hardware	42,871	2.60
11	Glass and Glazing	186,669	11.31
12	Interior Partitions	168,702	10.22
13	Stone and Tile	29,753	1.80
14	Ceilings and Acoustic	87,522	5.30
15	Flooring	78,030	4.73
16	Painting	35,881	2.17
17	Specialties	8,109	0.49
18	Equipment and Furnishings	14,483	0.88
19	Special Construction	0	0.00
20	Elevators	0	0.00
21	Fire Protection	44,060	2.67
22	Plumbing	89,724	5.44
23	HVAC Systems	315,926	19.15
24	Electrical	396,253	24.02
	Subtotal	<u>2,986,524</u>	<u>181.00</u>
	Permits, Bonds and Insurance	126,778	7.68
	Contingency	124,532	7.55
	Escalation to 2nd Qtr 2018	64,757	3.92
	Fee	123,847	7.51
	Total	<u>\$3,426,438</u>	<u>\$207.66</u>

Budget Comparison



2nd Quarter 2017 JE Dunn Construction Cost Index — Kansas City Metro Area



Labor and Material Trends This Quarter	
Labor Wage Changes— 62% of Qtr Change	
Carpenter	2.16%
Laborer	2.18%
Sheet Metal Worker	0.00%
Plumber/Fitter	1.96%
Electrician	0.00%
Other Labor	1.01%
Material Price Changes— 38% of Qtr Change	
Fabricated Steel	0.87%
Fabricated Copper	0.15%
Fabricated Aluminum	1.47%
#2 Diesel Fuel	-3.65%
4,000 psi Concrete Ready Mix	0.86%
Lumber, FOB Jobsite	4.07%
Other Materials*	0.79%

*'Other Materials' consists of gypsum board, brick, block, precast, insulation, floorcovering, ceilings, and miscellaneous materials

- Actual 2017 Escalation through 2nd Quarter = 1.79%
- Anticipated 2017 3rd Quarter Escalation ≈ 1.00%
- Historical Escalation—Fall 2014 to Fall 2017 ≈ 8.2%
- Historical Cost Escalation = \$3.5M x 108.2% ≈ \$3.8M

About this index: The JE Dunn Construction Cost Index is calculated quarterly using labor rates and material price changes focusing mostly on the 6 trades and 6 materials types (see trend table) that we find have the most impact on vertical non-residential construction. We also consider productivity and bidding trends as part of determining our escalation.



Tonganoxie Library

Preconstruction/Design

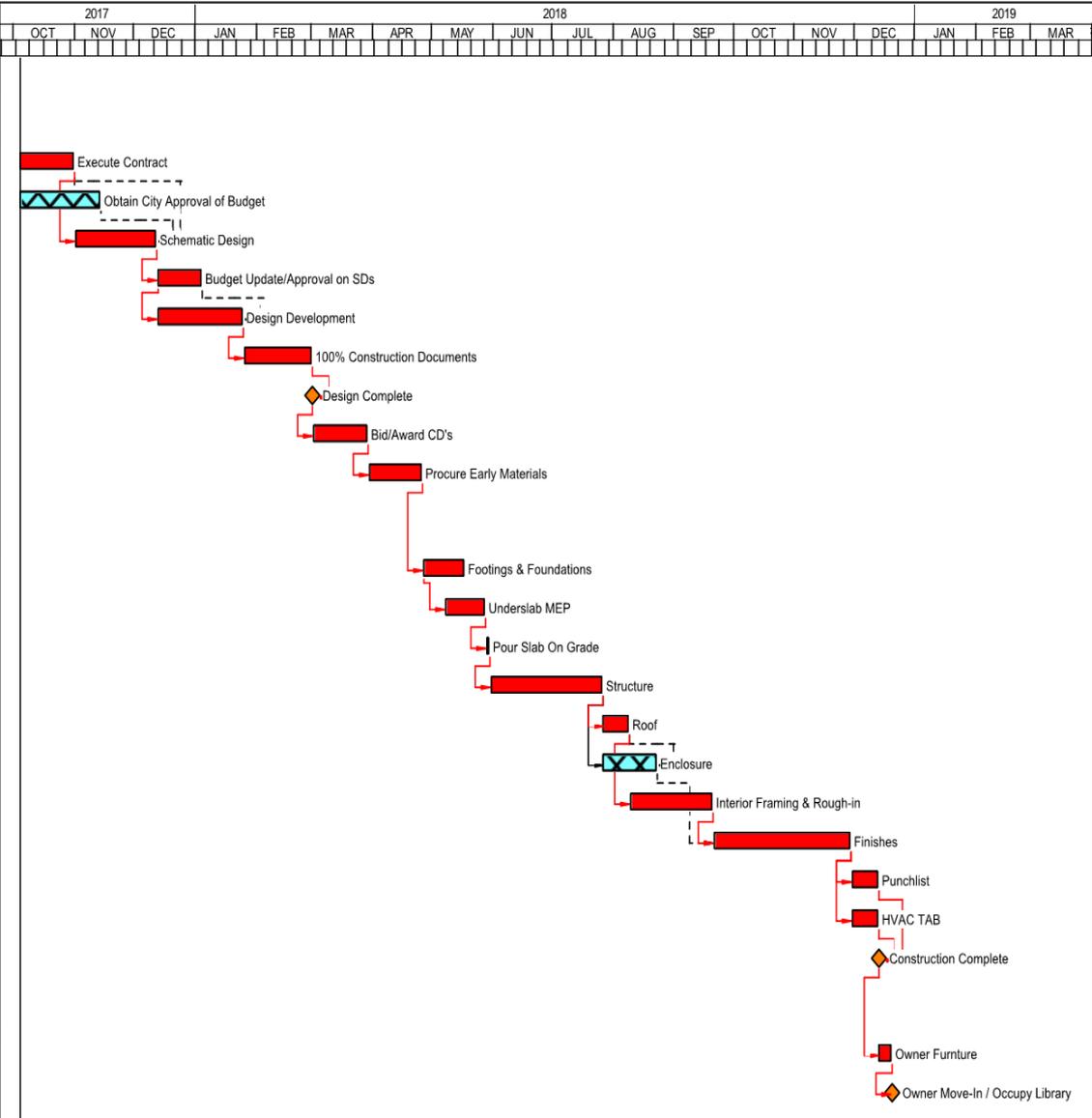
Activity ID	Description	Orig Dur	Remain Dur	Early Start	Early Finish
1000	Execute Contract	20d	20d	04OCT17	31OCT17
1010	Obtain City Approval of Budget	30d	30d	04OCT17	14NOV17
1020	Schematic Design	30d	30d	01NOV17	12DEC17
1030	Budget Update/Approval on SDs	15d	15d	13DEC17	04JAN18
1040	Design Development	30d	30d	13DEC17	25JAN18
1050	100% Construction Documents	25d	25d	26JAN18	01MAR18
1080	Design Complete	0	0		01MAR18
2000	Bid/Award CD's	20d	20d	02MAR18	29MAR18
2020	Procure Early Materials	20d	20d	30MAR18	26APR18

Construction

3000	Footings & Foundations	15d	15d	27APR18	17MAY18
3010	Underslab MEP	15d	15d	08MAY18	28MAY18
3020	Pour Slab On Grade	2d	2d	29MAY18	30MAY18
3030	Structure	40d	40d	31MAY18	26JUL18
3040	Roof	10d	10d	27JUL18	09AUG18
3050	Enclosure	20d	20d	27JUL18	23AUG18
3060	Interior Framing & Rough-in	30d	30d	10AUG18	20SEP18
3070	Finishes	50d	50d	21SEP18	29NOV18
3080	Punchlist	10d	10d	30NOV18	13DEC18
3090	HVAC TAB	10d	10d	30NOV18	13DEC18
3100	Construction Complete	0	0		13DEC18

Postconstruction/Closeout

3110	Owner Furniture	5d	5d	14DEC18	20DEC18
3120	Owner Move-In / Occupy Library	0	0		20DEC18





RE: General Space Overview for a New Building – Tonganoxie Public Library
Guided by the Whole Building Design Guide through the National Institute of Building Sciences

Date: 9/28/2017

Notes prepared by: NEKLS Staff: Anna Foote, Dan Alexander and Mike McDonald
 NEKLS (Northeast Kansas Library System)

Estimated allocations by purpose:

<u>Sq. Ft.</u>	<u>Purpose</u>	<u>Notes</u>
2000	Staff areas and circulation desk	Circulation desk, staff offices, work room, restroom, kitchen, break area, collaboration space, storage, server room with desk; staff entrance/exit
4000	Adult area	Collections (print, dvd, cd, magazines, games, etc.), seating, computers, 2 treadmills for reading while exercising
1000	Teen area	Collections (print, dvd, cd, magazines, games, etc.), seating, computers
4000	Kids area	Collections (print, dvd, cd, magazines, games, etc.), seating, computers, small circulation desk, open area for play and Storytime; kids programming room with sinks, stroller parking, abundant storage, and children's librarian office.
800	Study rooms	Ex. 2 @ 14x12 = 336; 2 @ 10x10 = 200; 1 @ 20x12 = 240
2000	Multipurpose room (storm shelter)	Can be divided into 2 or 3 separate spaces, one with full kitchen. Outfitted with acoustic panels, sound, lighting and convertible stage for theater purposes.
600	Café and Friends Bookstore	Ex. 400 sq. ft. for Café and Bookstore slat wall; 200 for a bookstore storage room.
1000	Classroom / Technology Education Room (storm shelter)	
1100	Foyers; restrooms; janitorial; mechanicals	
16,500	Total Recommended Square Footage	

Details from Staff Discussion (recorded on flipchart sheets at the meeting)

Public Space

- Outdoor patio
- Café area for food/coffee/additional seating – near outdoor patio – will include art gallery space
- Comfortable seating
- 2-4 study rooms
- space for proctoring exams
- multipurpose room located off foyer
- electric fireplace
- classroom wired for technology education
- computer areas (classroom could be used for overflow)
- laptop work stations throughout (power and table space to accommodate people bringing their own devices)
- catalog only computers – 3?, should be standing stations/walkup
- Smoking area(s)?
- all public “after hour” spaces feed off one exterior entrance
- 2 treadmills for reading while walking

Ideas for Throughout the Building

- plan for the future with plenty of power outlets and USB charging throughout and conduit from tech room throughout for wired networking
- bigger space, but same number of staff—design for great sight lines from the commonly staffed areas (checkout desk; youth services checkout/service desk)
- may need to expand security system to include cameras in blind spots
- opt for carpet squares over carpet rolls
- investigate elevated flooring (modular panels with power and cable run underneath—Midcontinent’s Wood Neath has this)
- as much storage as possible, including floating and lockable walls in the multipurpose room areas

Courier and Circ Work Area

- Checkout desk design – a book drop at each end, stations to sit, stand, or both?
- Self-checkout and possibly self-pickup of holds (talk to Atchison, George, and Basehor)
- New DVD security and/or storage method
- Convert to RFID? At minimum, plan for the future with power by doors for future security gates and conduit from tech room to the entrances (and throughout the building)
- Transition from public area to behind the circ desk – should be a door or another clear way for patrons to know it’s a staff area (see Bonner for example)
- Event sign ups – consider converting to online only, but if not, have a fixed place for sign-up sheets so that they aren’t misplaced (ex: pull out shelves/clipboards that are affixed to the circ desk)
- For courier: dedicated space (bin/cubby) for each commonly used library; dedicated space for in/out courier, including computer and receipt printer; able to leave work out; exterior door to/from circ workroom (for courier to use)
- External book drop feeds into circ/courier work space (in a contained way—investigate rolling book bins)
- Materials processing and repairs happen in this area
- This area is connected to the staff area

Chieftain Café Needs

- Part of divided multipurpose room
- Power, data drops, Wi-Fi access
- After-hours access
- Secure pantry and refrigeration
- Plenty of storage

Special Requirements for Children's Area

- Entire area is behind a sound-mitigating divider/wall (but open for sight lines)
- Some low shelving, formed around a blank Storytime/play area adjoins a programming room with tile floor, sinks at children's level -- moving wall to divide the two
- Large storage area
- Office for Youth Services Librarian
- Service/checkout desk
- Stroller parking
- Coat rack

Special Requirements for Teen Area

- Gaming
- Whiteboards
- Sound stations or other tech innovations

Theater Room (or portion of multipurpose room) DREAMING BIG ☺

- Seating
- Special sound equipment, projector, screen, lighting
- Raised stage area (maybe portable)

Outdoor Considerations

- Patron patio
- Butterfly garden
- Water feature
- Walking path around perimeter – for story walks
- Digital sign
- Berm for outdoor theater
- Outdoor power
- Contained outdoor space for children's programming
- Bike rack



Office of the City Manager
AGENDA STATEMENT

DATE: October 16, 2017
To: Honorable Mayor Jason K. Ward and Members of the City Council
FROM: Jamie Shockley, Assistant City Manager
SUBJECT: Consider budget request from Tonganoxie Library

The Tonganoxie Library Board requested that the council consider their budget request for a new library in the amount of \$4.652 million. This request includes design, site work, construction costs, and furnishings/equipment for a 16,500 square feet facility; however, it does not include the cost of land acquisition (anticipated at a cost of \$290,000) or the cost of debt issuance. The total budget needed to cover all of these expenses is \$5.12 million.

Voters approved a ¾-cent sales tax in February 2017 to replace the water park sales tax, which expired on September 30. The new ¾-cent sales tax took effect October 1, and the ballot language authorizes the City to use the funds for construction of a new library, construction of city infrastructure improvements, and maintenance of city infrastructure. All of the City and Library informational materials throughout the election indicated that the new library was anticipated to cost \$2.8 - \$3.6 million, based on a needs assessment done in early 2016 by Dunfield Design. This assessment is included in the packet for the Council’s review.

Current projections indicate that the ¾-cent sales tax will bring approximately \$400,000 annually to the City for the types of projects listed above, for a total anticipated revenue stream of \$8 million over a period of 20 years. In the 2018 budget, the council set aside half of the sales tax revenue, in the amount of \$200,000, to cover the annual debt service payment for the library. The remaining ¾-cent sales tax revenue is budgeted as a transfer to the Special Highway Fund in order to begin to address the issue of deferred maintenance on city streets, which currently sits at a price tag of \$19 million and growing.

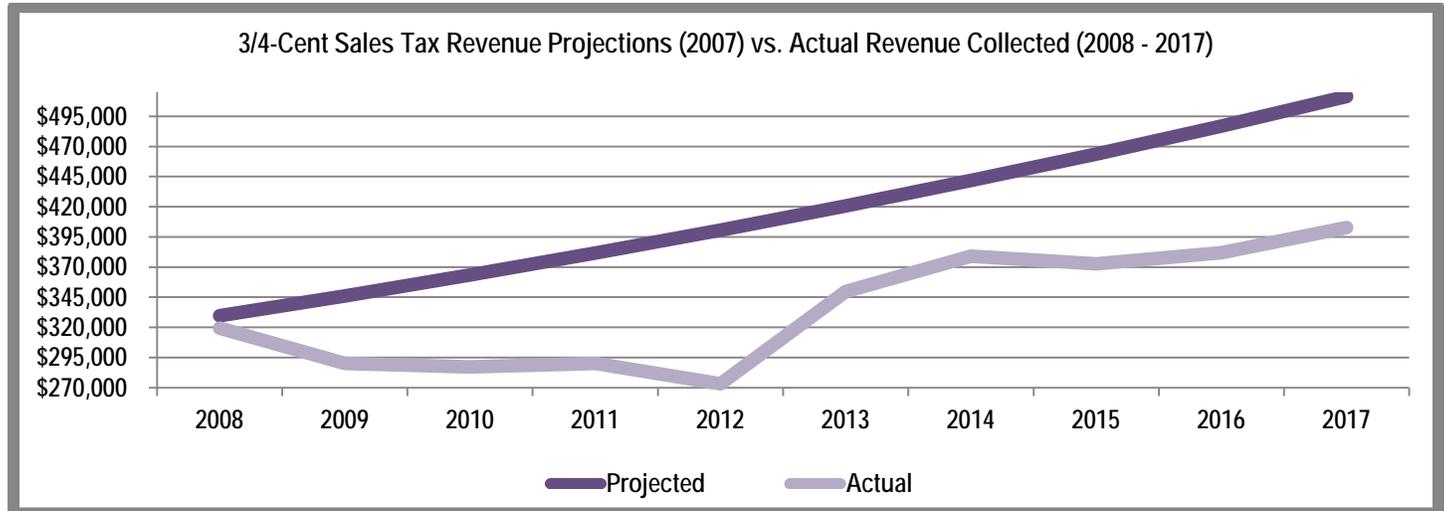
The annual debt service payment for a term of 20 years for a new library, assuming an interest rate of 2.67% with a budget of \$5.1 million, would be approximately \$332,000, which is a 40% increase from what is budgeted for the new library in 2018. The chart below shows several possible budgets for the library, the estimated annual debt service payment, the total amount of principal and interest paid over the life of loan, and the total payments as a percentage of the total anticipated revenue to be received from the sales tax. Detailed amortization schedules for each of these budgets were prepared by our financial advisor, Springsted, and are included in the council packet for your review. Our financial advisor will also be present at the meeting to answer questions.

Estimated Debt Service Payment for Library			
Assumes 2.67% interest rate and 20 year term			
Budget	Approximate Annual Debt Service	Total Principal and Interest Paid	Total Paid as % of Projected Total Sales Tax Revenue
\$5.1M	\$ 332,000	\$ 6,678,010	83%
\$4.5M	\$ 298,000	\$ 6,013,353	75%
\$4.0M	\$ 266,000	\$ 5,350,526	67%
\$3.6M	\$ 240,000	\$ 4,819,291	60%
\$3.0M	\$ 200,000	\$ 4,032,874	50%

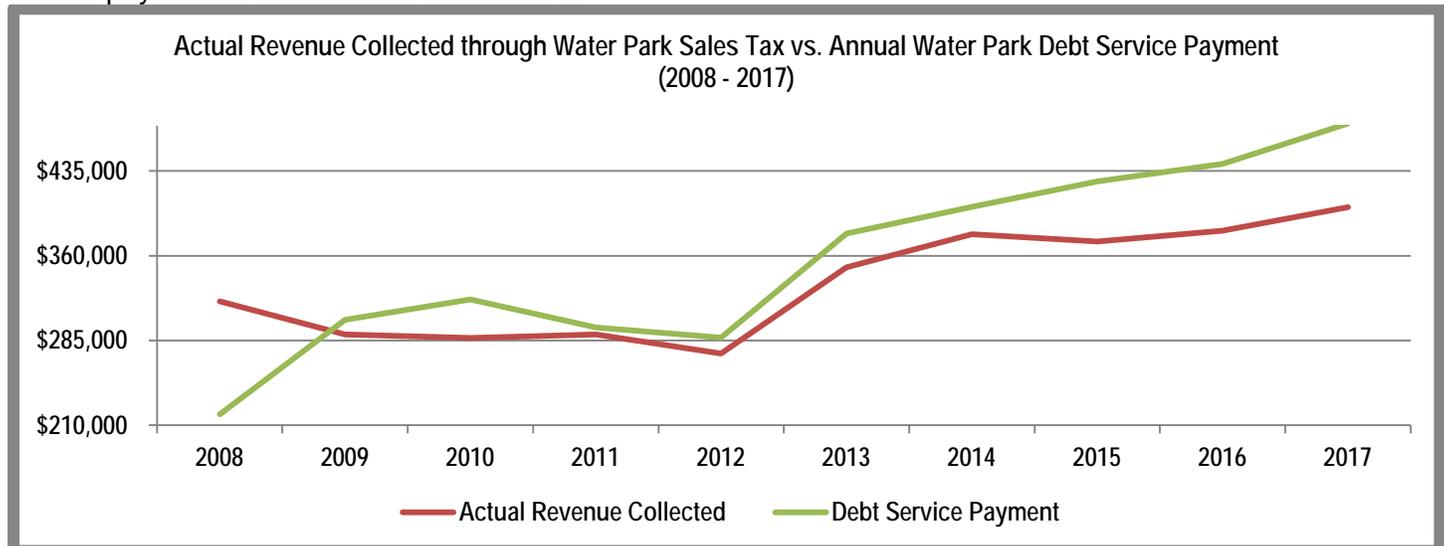
FACTORS TO CONSIDER

1. Sales tax is a volatile revenue source

While current projections indicate that the sales tax will collect approximately \$400,000 annually, this amount could increase or decrease significantly depending on the economy and the growth of the city. If a business that contributes significantly to the City's annual sales tax revenue closes, such as the grocery store, the amount of money the City receives from this ¾-cent sales tax will drastically decrease. The same goes if new retail businesses open and the revenue increases significantly over the next twenty years. If the economy takes a turn like it did in 2009, this revenue will also be significantly impacted. A good example of this is shown in the chart below, which shows what the 10 year forecast was for the water park sales tax back in 2007 versus what was actually collected through 2017. This data was taken from projections calculated by the City when determining the amortization schedule for the water park debt. These projections assumed a 5% growth in sales tax revenue every year for a period of 10 years.



In total, the projections from 2007 indicate that the sales tax would collect \$4,145,697 over a period of 10 years, but the actual collections over 10 years are only \$3,346,561. This is 24% less than what was anticipated to be collected. As a result, the City ended up having to subsidize the debt service payment on the water park through property taxes because the water park sales tax did not end up collecting enough revenue to cover the debt payment. The total revenue collected through the water park sales tax by year versus the annual debt service payment is shown in the chart below.



The chart above demonstrates that there was only one year during the 10 year period the water park sales tax was collected in which the annual debt service payment was less than the total revenue collected. In all other years, from 2009 – 2017, the city had to subsidize the water park debt payment with property tax revenue

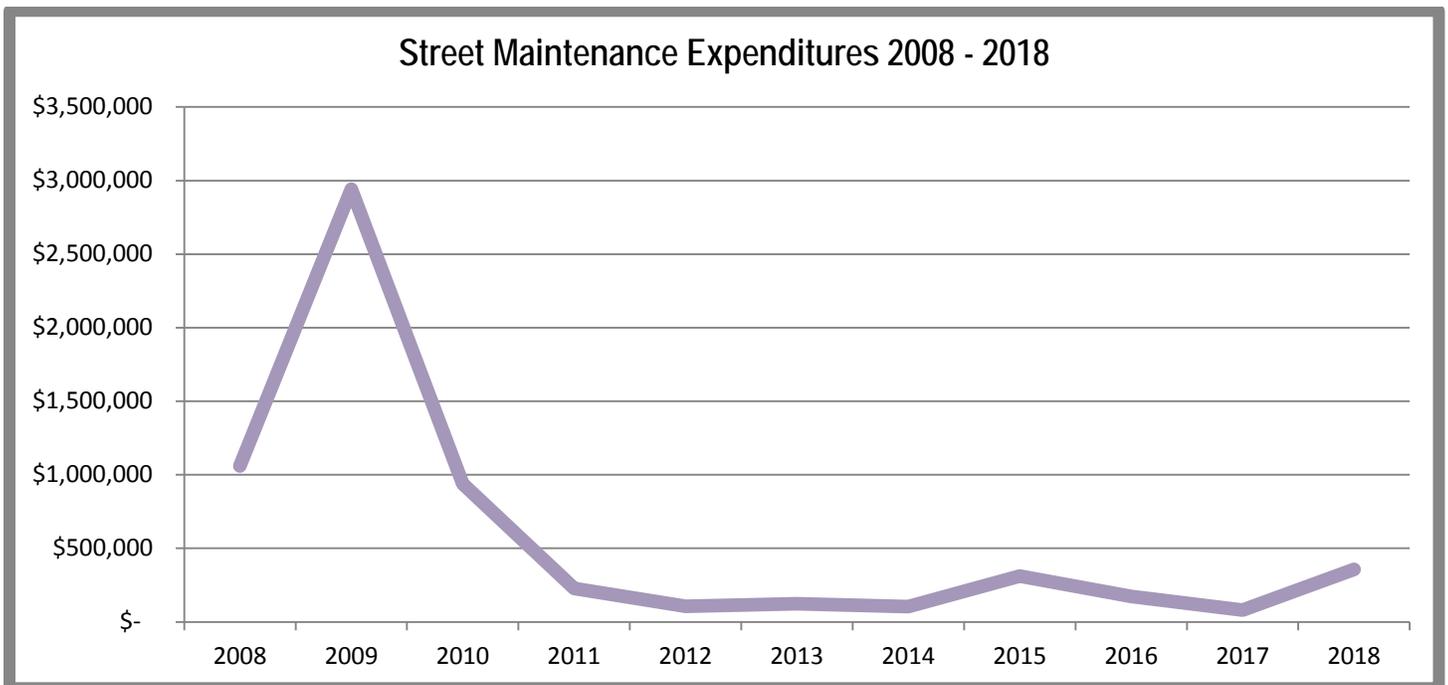
because the sales tax could not cover the entire debt service payment. This resulted in an increase in property taxes, as well as taking away from the City’s ability to invest in the maintenance of its existing infrastructure and other programs for the past nine years. This is the type of scenario that city staff would caution the council to avoid when determining the budget for the new library. This is also the reason why our projections for the sales tax collection for the next 20 years are conservative.

2. Deferred maintenance on existing city infrastructure

During a work session back in April of this year, city staff reviewed the capital projects list with the Council, which is included with your council packet for review. On that list, we included an inventory of the condition of all of the city’s streets as shown on the chart below.

Condition of City Streets 2017		
Condition Classification	Number of Miles	Estimated Cost of Maintenance Needed
Good	4.36	None at this time (best practice is to resurface every 8-10 years)
Fair	13.45	\$3.1 million
Poor	8.52	\$16 million

The streets shown above in fair condition are in need of a mill and overlay, and the streets shown in poor condition are in need of complete reconstruction. It is imperative that the streets that are currently in good and fair condition receive necessary maintenance before they reach the “poor” classification, as it will cost the city 10-15 times more to rebuild the streets than it will to resurface them. To put this information in better context, the graph below shows the amount of money budgeted for street maintenance for the past 10 years. 2008 – 2010 includes debt issuances for maintenance of streets, but no significant maintenance projects have been completed since that time.



The average annual expenditure for street maintenance over the past 10 years is \$584,165, but this includes the nearly \$3 million in maintenance that was done in 2009 and funded through debt issuance. If we look at cash-only financing on street maintenance, then the average annual expenditure for street maintenance from

2011 – 2017 is \$185,665. Continuing to only invest this amount on maintenance of city streets is not sustainable and will cost the taxpayers a significant amount of money in the future if this is not addressed.

The street maintenance budget for 2018 includes \$200,000 from the ¼-cent sales tax, which brings the total budget to \$357,100, an increase of 53% from 2017. While this amount is still not enough to completely address the \$19 million in deferred maintenance on all of the city’s streets, it is a significant improvement from current funding levels. Even so, if the City continues to only invest \$357K in maintenance, it would take 53 years to address the streets that are currently in need of maintenance. This calculation does not include any new streets that are built or the streets that are currently classified as “good,” which all need some type of resurfacing and maintenance within 8 – 10 years of being built.

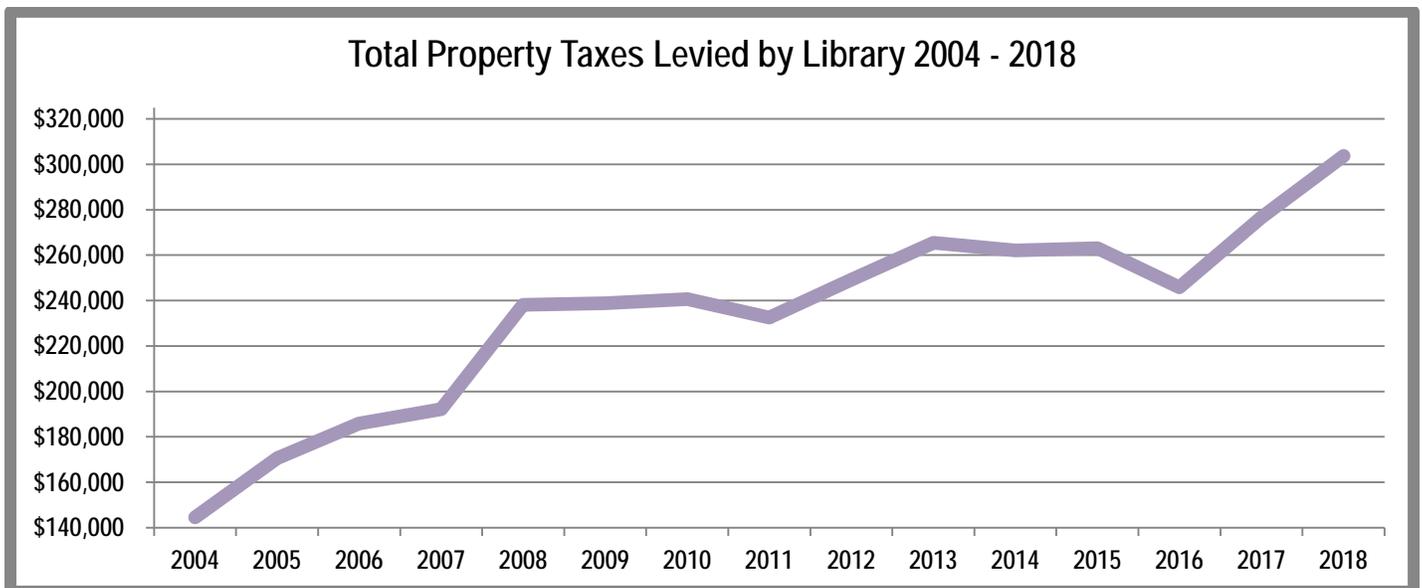
In order to fund the library’s budget request of \$5.1 million, the city’s annual allocation towards street maintenance would decrease from \$357,100 to \$225,100, which would in turn create an even bigger deferred maintenance issue than the one we’re already facing. There is not currently an alternative funding source the city can use for street maintenance, without raising taxes or eliminating existing programs and staffing.

In addition to deferred street maintenance, there are a number of other infrastructure projects the council has identified as top priorities. A copy of the capital projects list that was prioritized earlier this year is included in the packet for the council’s review.

3. Increased operational costs at the library

With the library nearly tripling in size, there will likely be numerous operational costs that come along with that. The library has committed to building a facility that runs as efficiently as possible, but there will likely be a need for increased staff and utility costs, and therefore a need for an increase to the library’s property tax levy.

In a council meeting earlier this year, the library indicated that there would be a need to raise the mill levy to operate a new facility, and the council requested that city staff put together an analysis regarding the library’s historical tax levy. Currently, the library operations fund cannot levy more than 5.95 mills without a new ordinance approved by city council, but there is not currently a cap on the library employee benefits fund. The chart below shows the total tax levy (general fund + employee benefits) in dollars for the library over the past 10 years. The City Council approves the property tax levy for the library based on a recommendation from the library board each year.



ACTION NEEDED

Consider the budget request from the library board and the factors outline by city staff and provide direction on how the council would like to move forward.

\$5,120,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$5M Project Funding

Sources & Uses

Dated 02/01/2018 | Delivered 02/01/2018

Sources Of Funds

Par Amount of Bonds..... \$5,120,000.00

Total Sources..... \$5,120,000.00

Uses Of Funds

Deposit to Project Construction Fund..... 5,000,000.00

Total Underwriter's Discount (1.200%)..... 61,440.00

Costs of Issuance..... 54,775.00

Rounding Amount..... 3,785.00

Total Uses..... \$5,120,000.00

\$5,120,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$5M Project Funding

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2018	-	-	-	-	-
09/01/2018	-	-	70,580.42	70,580.42	70,580.42
03/01/2019	-	-	60,497.50	60,497.50	-
09/01/2019	210,000.00	1.450%	60,497.50	270,497.50	330,995.00
03/01/2020	-	-	58,975.00	58,975.00	-
09/01/2020	210,000.00	1.550%	58,975.00	268,975.00	327,950.00
03/01/2021	-	-	57,347.50	57,347.50	-
09/01/2021	215,000.00	1.700%	57,347.50	272,347.50	329,695.00
03/01/2022	-	-	55,520.00	55,520.00	-
09/01/2022	220,000.00	1.850%	55,520.00	275,520.00	331,040.00
03/01/2023	-	-	53,485.00	53,485.00	-
09/01/2023	225,000.00	2.000%	53,485.00	278,485.00	331,970.00
03/01/2024	-	-	51,235.00	51,235.00	-
09/01/2024	230,000.00	2.100%	51,235.00	281,235.00	332,470.00
03/01/2025	-	-	48,820.00	48,820.00	-
09/01/2025	230,000.00	2.150%	48,820.00	278,820.00	327,640.00
03/01/2026	-	-	46,347.50	46,347.50	-
09/01/2026	240,000.00	2.200%	46,347.50	286,347.50	332,695.00
03/01/2027	-	-	43,707.50	43,707.50	-
09/01/2027	245,000.00	2.200%	43,707.50	288,707.50	332,415.00
03/01/2028	-	-	41,012.50	41,012.50	-
09/01/2028	250,000.00	2.250%	41,012.50	291,012.50	332,025.00
03/01/2029	-	-	38,200.00	38,200.00	-
09/01/2029	255,000.00	2.300%	38,200.00	293,200.00	331,400.00
03/01/2030	-	-	35,267.50	35,267.50	-
09/01/2030	260,000.00	2.350%	35,267.50	295,267.50	330,535.00
03/01/2031	-	-	32,212.50	32,212.50	-
09/01/2031	265,000.00	2.500%	32,212.50	297,212.50	329,425.00
03/01/2032	-	-	28,900.00	28,900.00	-
09/01/2032	270,000.00	2.600%	28,900.00	298,900.00	327,800.00
03/01/2033	-	-	25,390.00	25,390.00	-
09/01/2033	280,000.00	2.700%	25,390.00	305,390.00	330,780.00
03/01/2034	-	-	21,610.00	21,610.00	-
09/01/2034	285,000.00	2.750%	21,610.00	306,610.00	328,220.00
03/01/2035	-	-	17,691.25	17,691.25	-
09/01/2035	295,000.00	2.800%	17,691.25	312,691.25	330,382.50
03/01/2036	-	-	13,561.25	13,561.25	-
09/01/2036	305,000.00	2.850%	13,561.25	318,561.25	332,122.50
03/01/2037	-	-	9,215.00	9,215.00	-
09/01/2037	310,000.00	2.900%	9,215.00	319,215.00	328,430.00
03/01/2038	-	-	4,720.00	4,720.00	-
09/01/2038	320,000.00	2.950%	4,720.00	324,720.00	329,440.00
Total	\$5,120,000.00	-	\$1,558,010.42	\$6,678,010.42	-

SIGNIFICANT DATES

Dated Date.....	2/01/2018
Delivery Date.....	2/01/2018
First Coupon Date.....	9/01/2018

Yield Statistics

Bond Year Dollars.....	\$60,586.67
Average Life.....	11.833 Years
Average Coupon.....	2.5715401%
Net Interest Cost (NIC).....	2.6729485%
True Interest Cost (TIC).....	2.6737874%
Bond Yield for Arbitrage Purposes.....	2.5517854%
All Inclusive Cost (AIC).....	2.7843015%

IRS Form 8038

Net Interest Cost.....	2.5715401%
Weighted Average Maturity.....	11.833 Years

2018 GO Library Bonds \$5M | SINGLE PURPOSE | 10/13/2017 | 8:58 AM



\$4,610,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$4.5M Project Funding

Sources & Uses

Dated 02/01/2018 | Delivered 02/01/2018

Sources Of Funds

Par Amount of Bonds..... \$4,610,000.00

Total Sources..... \$4,610,000.00

Uses Of Funds

Deposit to Project Construction Fund..... 4,500,000.00

Total Underwriter's Discount (1.200%)..... 55,320.00

Costs of Issuance..... 50,790.00

Rounding Amount..... 3,890.00

Total Uses..... \$4,610,000.00

\$4,610,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$4.5M Project Funding

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2018	-	-	-	-	-
09/01/2018	-	-	63,552.71	63,552.71	63,552.71
03/01/2019	-	-	54,473.75	54,473.75	-
09/01/2019	190,000.00	1.450%	54,473.75	244,473.75	298,947.50
03/01/2020	-	-	53,096.25	53,096.25	-
09/01/2020	190,000.00	1.550%	53,096.25	243,096.25	296,192.50
03/01/2021	-	-	51,623.75	51,623.75	-
09/01/2021	195,000.00	1.700%	51,623.75	246,623.75	298,247.50
03/01/2022	-	-	49,966.25	49,966.25	-
09/01/2022	195,000.00	1.850%	49,966.25	244,966.25	294,932.50
03/01/2023	-	-	48,162.50	48,162.50	-
09/01/2023	200,000.00	2.000%	48,162.50	248,162.50	296,325.00
03/01/2024	-	-	46,162.50	46,162.50	-
09/01/2024	205,000.00	2.100%	46,162.50	251,162.50	297,325.00
03/01/2025	-	-	44,010.00	44,010.00	-
09/01/2025	210,000.00	2.150%	44,010.00	254,010.00	298,020.00
03/01/2026	-	-	41,752.50	41,752.50	-
09/01/2026	215,000.00	2.200%	41,752.50	256,752.50	298,505.00
03/01/2027	-	-	39,387.50	39,387.50	-
09/01/2027	220,000.00	2.200%	39,387.50	259,387.50	298,775.00
03/01/2028	-	-	36,967.50	36,967.50	-
09/01/2028	225,000.00	2.250%	36,967.50	261,967.50	298,935.00
03/01/2029	-	-	34,436.25	34,436.25	-
09/01/2029	230,000.00	2.300%	34,436.25	264,436.25	298,872.50
03/01/2030	-	-	31,791.25	31,791.25	-
09/01/2030	235,000.00	2.350%	31,791.25	266,791.25	298,582.50
03/01/2031	-	-	29,030.00	29,030.00	-
09/01/2031	240,000.00	2.500%	29,030.00	269,030.00	298,060.00
03/01/2032	-	-	26,030.00	26,030.00	-
09/01/2032	245,000.00	2.600%	26,030.00	271,030.00	297,060.00
03/01/2033	-	-	22,845.00	22,845.00	-
09/01/2033	250,000.00	2.700%	22,845.00	272,845.00	295,690.00
03/01/2034	-	-	19,470.00	19,470.00	-
09/01/2034	260,000.00	2.750%	19,470.00	279,470.00	298,940.00
03/01/2035	-	-	15,895.00	15,895.00	-
09/01/2035	265,000.00	2.800%	15,895.00	280,895.00	296,790.00
03/01/2036	-	-	12,185.00	12,185.00	-
09/01/2036	270,000.00	2.850%	12,185.00	282,185.00	294,370.00
03/01/2037	-	-	8,337.50	8,337.50	-
09/01/2037	280,000.00	2.900%	8,337.50	288,337.50	296,675.00
03/01/2038	-	-	4,277.50	4,277.50	-
09/01/2038	290,000.00	2.950%	4,277.50	294,277.50	298,555.00
Total	\$4,610,000.00	-	\$1,403,352.71	\$6,013,352.71	-

SIGNIFICANT DATES

Dated Date.....	2/01/2018
Delivery Date.....	2/01/2018
First Coupon Date.....	9/01/2018

Yield Statistics

Bond Year Dollars.....	\$54,569.17
Average Life.....	11.837 Years
Average Coupon.....	2.5716953%
Net Interest Cost (NIC).....	2.6730713%
True Interest Cost (TIC).....	2.6739292%
Bond Yield for Arbitrage Purposes.....	2.5519590%
All Inclusive Cost (AIC).....	2.7877359%

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Net Interest Cost.....	2.5716953%
Weighted Average Maturity.....	11.837 Years

2018 GO Library Bonds \$4. | SINGLE PURPOSE | 10/13/2017 | 8:58 AM



\$4,100,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$4M Project Funding

Sources & Uses

Dated 02/01/2018 | Delivered 02/01/2018

Sources Of Funds

Par Amount of Bonds..... \$4,100,000.00

Total Sources..... \$4,100,000.00

Uses Of Funds

Deposit to Project Construction Fund..... 4,000,000.00

Costs of Issuance..... 50,280.00

Total Underwriter's Discount (1.200%)..... 49,200.00

Rounding Amount..... 520.00

Total Uses..... \$4,100,000.00

\$4,100,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$4M Project Funding

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2018	-	-	-	-	-
09/01/2018	-	-	56,561.46	56,561.46	56,561.46
03/01/2019	-	-	48,481.25	48,481.25	-
09/01/2019	165,000.00	1.450%	48,481.25	213,481.25	261,962.50
03/01/2020	-	-	47,285.00	47,285.00	-
09/01/2020	170,000.00	1.550%	47,285.00	217,285.00	264,570.00
03/01/2021	-	-	45,967.50	45,967.50	-
09/01/2021	170,000.00	1.700%	45,967.50	215,967.50	261,935.00
03/01/2022	-	-	44,522.50	44,522.50	-
09/01/2022	175,000.00	1.850%	44,522.50	219,522.50	264,045.00
03/01/2023	-	-	42,903.75	42,903.75	-
09/01/2023	180,000.00	2.000%	42,903.75	222,903.75	265,807.50
03/01/2024	-	-	41,103.75	41,103.75	-
09/01/2024	180,000.00	2.100%	41,103.75	221,103.75	262,207.50
03/01/2025	-	-	39,213.75	39,213.75	-
09/01/2025	185,000.00	2.150%	39,213.75	224,213.75	263,427.50
03/01/2026	-	-	37,225.00	37,225.00	-
09/01/2026	190,000.00	2.200%	37,225.00	227,225.00	264,450.00
03/01/2027	-	-	35,135.00	35,135.00	-
09/01/2027	195,000.00	2.200%	35,135.00	230,135.00	265,270.00
03/01/2028	-	-	32,990.00	32,990.00	-
09/01/2028	200,000.00	2.250%	32,990.00	232,990.00	265,980.00
03/01/2029	-	-	30,740.00	30,740.00	-
09/01/2029	205,000.00	2.300%	30,740.00	235,740.00	266,480.00
03/01/2030	-	-	28,382.50	28,382.50	-
09/01/2030	210,000.00	2.350%	28,382.50	238,382.50	266,765.00
03/01/2031	-	-	25,915.00	25,915.00	-
09/01/2031	215,000.00	2.500%	25,915.00	240,915.00	266,830.00
03/01/2032	-	-	23,227.50	23,227.50	-
09/01/2032	220,000.00	2.600%	23,227.50	243,227.50	266,455.00
03/01/2033	-	-	20,367.50	20,367.50	-
09/01/2033	225,000.00	2.700%	20,367.50	245,367.50	265,735.00
03/01/2034	-	-	17,330.00	17,330.00	-
09/01/2034	230,000.00	2.750%	17,330.00	247,330.00	264,660.00
03/01/2035	-	-	14,167.50	14,167.50	-
09/01/2035	235,000.00	2.800%	14,167.50	249,167.50	263,335.00
03/01/2036	-	-	10,877.50	10,877.50	-
09/01/2036	245,000.00	2.850%	10,877.50	255,877.50	266,755.00
03/01/2037	-	-	7,386.25	7,386.25	-
09/01/2037	250,000.00	2.900%	7,386.25	257,386.25	264,772.50
03/01/2038	-	-	3,761.25	3,761.25	-
09/01/2038	255,000.00	2.950%	3,761.25	258,761.25	262,522.50
Total	\$4,100,000.00	-	\$1,250,526.46	\$5,350,526.46	-

SIGNIFICANT DATES

Dated Date.....	2/01/2018
Delivery Date.....	2/01/2018
First Coupon Date.....	9/01/2018

Yield Statistics

Bond Year Dollars.....	\$48,616.67
Average Life.....	11.858 Years
Average Coupon.....	2.5722176%
Net Interest Cost (NIC).....	2.6734175%
True Interest Cost (TIC).....	2.6743381%
Bond Yield for Arbitrage Purposes.....	2.5525613%
All Inclusive Cost (AIC).....	2.8009251%

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Net Interest Cost.....	2.5722176%
Weighted Average Maturity.....	11.858 Years

2018 GO Library Bonds \$4M | SINGLE PURPOSE | 10/13/2017 | 8:58 AM



\$3,695,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$3.6M Project Funding

Sources & Uses

Dated 02/01/2018 | Delivered 02/01/2018

Sources Of Funds

Par Amount of Bonds..... \$3,695,000.00

Total Sources..... \$3,695,000.00

Uses Of Funds

Deposit to Project Construction Fund..... 3,600,000.00

Costs of Issuance..... 48,870.00

Total Underwriter's Discount (1.200%)..... 44,340.00

Rounding Amount..... 1,790.00

Total Uses..... \$3,695,000.00

\$3,695,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$3.6M Project Funding

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2018	-	-	-	-	-
09/01/2018	-	-	50,930.83	50,930.83	50,930.83
03/01/2019	-	-	43,655.00	43,655.00	-
09/01/2019	150,000.00	1.450%	43,655.00	193,655.00	237,310.00
03/01/2020	-	-	42,567.50	42,567.50	-
09/01/2020	155,000.00	1.550%	42,567.50	197,567.50	240,135.00
03/01/2021	-	-	41,366.25	41,366.25	-
09/01/2021	155,000.00	1.700%	41,366.25	196,366.25	237,732.50
03/01/2022	-	-	40,048.75	40,048.75	-
09/01/2022	160,000.00	1.850%	40,048.75	200,048.75	240,097.50
03/01/2023	-	-	38,568.75	38,568.75	-
09/01/2023	160,000.00	2.000%	38,568.75	198,568.75	237,137.50
03/01/2024	-	-	36,968.75	36,968.75	-
09/01/2024	165,000.00	2.100%	36,968.75	201,968.75	238,937.50
03/01/2025	-	-	35,236.25	35,236.25	-
09/01/2025	170,000.00	2.150%	35,236.25	205,236.25	240,472.50
03/01/2026	-	-	33,408.75	33,408.75	-
09/01/2026	170,000.00	2.200%	33,408.75	203,408.75	236,817.50
03/01/2027	-	-	31,538.75	31,538.75	-
09/01/2027	175,000.00	2.200%	31,538.75	206,538.75	238,077.50
03/01/2028	-	-	29,613.75	29,613.75	-
09/01/2028	180,000.00	2.250%	29,613.75	209,613.75	239,227.50
03/01/2029	-	-	27,588.75	27,588.75	-
09/01/2029	185,000.00	2.300%	27,588.75	212,588.75	240,177.50
03/01/2030	-	-	25,461.25	25,461.25	-
09/01/2030	190,000.00	2.350%	25,461.25	215,461.25	240,922.50
03/01/2031	-	-	23,228.75	23,228.75	-
09/01/2031	190,000.00	2.500%	23,228.75	213,228.75	236,457.50
03/01/2032	-	-	20,853.75	20,853.75	-
09/01/2032	195,000.00	2.600%	20,853.75	215,853.75	236,707.50
03/01/2033	-	-	18,318.75	18,318.75	-
09/01/2033	200,000.00	2.700%	18,318.75	218,318.75	236,637.50
03/01/2034	-	-	15,618.75	15,618.75	-
09/01/2034	205,000.00	2.750%	15,618.75	220,618.75	236,237.50
03/01/2035	-	-	12,800.00	12,800.00	-
09/01/2035	215,000.00	2.800%	12,800.00	227,800.00	240,600.00
03/01/2036	-	-	9,790.00	9,790.00	-
09/01/2036	220,000.00	2.850%	9,790.00	229,790.00	239,580.00
03/01/2037	-	-	6,655.00	6,655.00	-
09/01/2037	225,000.00	2.900%	6,655.00	231,655.00	238,310.00
03/01/2038	-	-	3,392.50	3,392.50	-
09/01/2038	230,000.00	2.950%	3,392.50	233,392.50	236,785.00
Total	\$3,695,000.00	-	\$1,124,290.83	\$4,819,290.83	-

SIGNIFICANT DATES

Dated Date.....	2/01/2018
Delivery Date.....	2/01/2018
First Coupon Date.....	9/01/2018

Yield Statistics

Bond Year Dollars.....	\$43,720.42
Average Life.....	11.832 Years
Average Coupon.....	2.5715465%
Net Interest Cost (NIC).....	2.6729636%
True Interest Cost (TIC).....	2.6737923%
Bond Yield for Arbitrage Purposes.....	2.5517777%
All Inclusive Cost (AIC).....	2.8106787%

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Net Interest Cost.....	2.5715465%
Weighted Average Maturity.....	11.832 Years

2018 GO Library Bonds \$3. | SINGLE PURPOSE | 10/13/2017 | 8:58 AM



\$3,090,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$3M Project Funding

Sources & Uses

Dated 02/01/2018 | Delivered 02/01/2018

Sources Of Funds

Par Amount of Bonds..... \$3,090,000.00

Total Sources..... \$3,090,000.00

Uses Of Funds

Deposit to Project Construction Fund..... 3,000,000.00

Costs of Issuance..... 48,265.00

Total Underwriter's Discount (1.200%)..... 37,080.00

Rounding Amount..... 4,655.00

Total Uses..... \$3,090,000.00

\$3,090,000

City of Tonganoxie, Kansas
General Obligation Library Bonds, Series 2018
\$3M Project Funding

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2018	-	-	-	-	-
09/01/2018	-	-	42,627.08	42,627.08	42,627.08
03/01/2019	-	-	36,537.50	36,537.50	-
09/01/2019	125,000.00	1.450%	36,537.50	161,537.50	198,075.00
03/01/2020	-	-	35,631.25	35,631.25	-
09/01/2020	130,000.00	1.550%	35,631.25	165,631.25	201,262.50
03/01/2021	-	-	34,623.75	34,623.75	-
09/01/2021	130,000.00	1.700%	34,623.75	164,623.75	199,247.50
03/01/2022	-	-	33,518.75	33,518.75	-
09/01/2022	130,000.00	1.850%	33,518.75	163,518.75	197,037.50
03/01/2023	-	-	32,316.25	32,316.25	-
09/01/2023	135,000.00	2.000%	32,316.25	167,316.25	199,632.50
03/01/2024	-	-	30,966.25	30,966.25	-
09/01/2024	135,000.00	2.100%	30,966.25	165,966.25	196,932.50
03/01/2025	-	-	29,548.75	29,548.75	-
09/01/2025	140,000.00	2.150%	29,548.75	169,548.75	199,097.50
03/01/2026	-	-	28,043.75	28,043.75	-
09/01/2026	145,000.00	2.200%	28,043.75	173,043.75	201,087.50
03/01/2027	-	-	26,448.75	26,448.75	-
09/01/2027	145,000.00	2.200%	26,448.75	171,448.75	197,897.50
03/01/2028	-	-	24,853.75	24,853.75	-
09/01/2028	150,000.00	2.250%	24,853.75	174,853.75	199,707.50
03/01/2029	-	-	23,166.25	23,166.25	-
09/01/2029	155,000.00	2.300%	23,166.25	178,166.25	201,332.50
03/01/2030	-	-	21,383.75	21,383.75	-
09/01/2030	155,000.00	2.350%	21,383.75	176,383.75	197,767.50
03/01/2031	-	-	19,562.50	19,562.50	-
09/01/2031	160,000.00	2.500%	19,562.50	179,562.50	199,125.00
03/01/2032	-	-	17,562.50	17,562.50	-
09/01/2032	165,000.00	2.600%	17,562.50	182,562.50	200,125.00
03/01/2033	-	-	15,417.50	15,417.50	-
09/01/2033	170,000.00	2.700%	15,417.50	185,417.50	200,835.00
03/01/2034	-	-	13,122.50	13,122.50	-
09/01/2034	175,000.00	2.750%	13,122.50	188,122.50	201,245.00
03/01/2035	-	-	10,716.25	10,716.25	-
09/01/2035	180,000.00	2.800%	10,716.25	190,716.25	201,432.50
03/01/2036	-	-	8,196.25	8,196.25	-
09/01/2036	180,000.00	2.850%	8,196.25	188,196.25	196,392.50
03/01/2037	-	-	5,631.25	5,631.25	-
09/01/2037	190,000.00	2.900%	5,631.25	195,631.25	201,262.50
03/01/2038	-	-	2,876.25	2,876.25	-
09/01/2038	195,000.00	2.950%	2,876.25	197,876.25	200,752.50
Total	\$3,090,000.00	-	\$942,874.58	\$4,032,874.58	-

SIGNIFICANT DATES

Dated Date.....	2/01/2018
Delivery Date.....	2/01/2018
First Coupon Date.....	9/01/2018

Yield Statistics

Bond Year Dollars.....	\$36,642.50
Average Life.....	11.858 Years
Average Coupon.....	2.5731721%
Net Interest Cost (NIC).....	2.6743661%
True Interest Cost (TIC).....	2.6752475%
Bond Yield for Arbitrage Purposes.....	2.5534541%
All Inclusive Cost (AIC).....	2.8368899%

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Net Interest Cost.....	2.5731721%
Weighted Average Maturity.....	11.858 Years

2018 GO Library Bonds \$3M | SINGLE PURPOSE | 10/13/2017 | 8:58 AM



Potential Infrastructure Projects to Be Paid for with Sales Tax Revenue			Alternate Funding Source?
Project Type	Project Description	Estimated Cost	
Street Maintenance			
Street Maintenance	"GOOD CONDITION" (23,000 ft. = 4.36 miles)	None at this time	
Street Maintenance	"FAIR/MODERATE CONDITION" (71,000 ft. = 13.45 miles) Low End (crack seal and/or thin surfacing (seals)) High End (mill/overlay with 5% pavement patching estimate)	\$0.75 million to \$3.1 million	
Street Maintenance	"POOR CONDITION" (45,000 ft. = 8.52 miles)	approx. \$16 million	
NOTE: Current annual O&M Budget for Street Maintenance = ± \$120,000			
Street Maintenance	Complete reconstruction of Church Street, from 4th Street to Washington, to include sidewalks, storm sewer, asphalt, curb and gutter to city standards	\$905,000	
Street Maintenance	Complete reconstruction of Village street from 4th Street to 1st Street, including 1st Street to Village Terrace, to include sidewalks, storm sewer, asphalt, curb and gutter to city standards	\$588,000	
Street Maintenance	Complete rebuild of W 1st Street from 24/40 heading west to dead end (2 blocks) to include sidewalks, storm sewer, asphalt, curb and gutter to city standards	\$360,000	
Street Maintenance	Improvement of all streets between 5th Street to Washington Street and 24/40 to Delaware Street	\$4,660,000	
Street Maintenance	Maintenance of wearing surface of approximately 26 center lane miles of City street, utilizing various techniques depending on condition, to include: 1) 2-inch asphalt mill and overlay; 2) Chip seal; 3) Modified Quick Set Aggregate; and 4) Reclamite Asphalt Rejuvenator. Note: 1 mile has an average of 14,435 sq. yards.	Mill and Overlay: \$10.00 per sq. yd. Chip Seal: \$2.50 per sq. yd. Modified Quick Aggregate: \$3.77 per sq. yd. Reclamite Asphalt Rejuvenator \$0.80 per sq. yd.	
Bridge			
Bridge Repair	Replace 4th Street Bridge Deck	\$500,000	X
Bridge Replacement	Replace Church Street Bridge	\$425,000	X
Streets			
Streets	Construction of 14th Street from US 24-40 to East Street	\$5,000,000	X
Streets	Construction of East Street extension, from Washington to 4th Street	\$2,550,000	
Streets	Laming Road Extension	\$1,400,000	X
Utility			
Utility	Waterline to Industrial Park		
Utility	Sanitary Sewer Trunk Line from Wastewater Treatment Plant to Industrial Park	\$2,850,000	
Utility Maintenance	Water tower inspections, maintenance, and repairs	\$50,000	
Utility	Smiley Rd and Hatchell Rd Area Booster Station	\$150,000	
Utility	NW Water Tower (Smiley Rd and Hatchell Rd Area)	\$1,000,000	
Utility	Stormwater Infrastructure Maintenance Line	\$300,000	
Utility	Waste Water Treatment Plant equipment upgrades		
Utility	Parallel Interceptor Sewer to WWTP		
Industrial Park			
Utility	Waterline	\$750,000	
Utility	Water Tower	\$1.0 million to \$1.5 million	
Utility	Sanitary Sewer	\$2,850,000	
Core Community			
Library	Library	\$2.8 m - \$3.6 m	
Indoor Recreation Center	Indoor Rec. Center	\$5,000,000	
Trails		KDOT TA 80/20	X



David M Dunfield, AIA, LEED AP

1641 Rhode Island Street
Lawrence, Kansas 66044

785-840-4773

info@dunfelddesign.com

Memo

Date: February 26, 2016

To: Cindy Stewart Grant, Library Director
Members of the Library Foundation

Project: Potential expansion or new library

Subject: Site evaluation

For your consideration, my comparison of the two possible sites for a library expansion or new building are below:

Zoning

Both sites are zoned "Historic Business District," which has several implications. First, there are no required building setbacks; the buildings can be fully built out to the property lines. The exception is when the property is "abutting a residential use or zone." The current building partially abuts residential property on the east, so a side yard setback of 10 feet may be required.

Also, no off-street parking requirement exists within this zoning category. This is common in downtown zoning districts, as it is thought that downtowns function best when parking is shared among different uses. However, it may not serve the library's needs to have no dedicated parking.

Third and Bury:

- The existing building has setbacks that would, practically speaking, prevent maximum build-out of the site. See "Internal Building Organization" discussion below.
- The potential 10 foot side yard setback could further limit the expansion possibilities.

Third and Main:

- The new building could be built to the property lines, maximizing the available area.

Parking

A rule of thumb for libraries is to provide one parking space for every three hundred square feet of building. This would result in a 16,500 square foot building needing 55 parking spaces. That number may be substantially reduced because of the downtown location. On the other hand, a large meeting space will put considerable demand on parking.

Third and Bury:

- The building site has an opportunity for a parking lot on land to the east to park approximately 15 cars. This would be similar to the quantity of parking currently provided in the off-street lot.

Third and Main:

- Fully using the site to meet the Needs Assessment allows no off-street parking.
- Using a similar amount of the site for parking as is available to the Third and Bury site would limit the size of the building, as noted below.

Square Footage

Neither site is optimal in terms of meeting projected space needs if parking is a consideration. But both could house a library considerably better able to meet the community's needs than the current building. The attached drawing shows both sites with similarly sized building footprints and a modest amount of parking at each.

Third and Bury:

- Existing building is 6,000 square feet (not 7,000 as shown in the Needs Assessment).
- Available expansion space in the existing parking lot adds 8,500 square feet, for a total possible of 14,500 square feet. This is about 88% of the 10-year projection in the Needs Assessment.
- If the side yard setback of 10 feet is applied for the full length of the east side of the site, the total expansion area is reduced by about 1,000 square feet.

Third and Main:

- The total area of the property is 19,525 square feet, which is adequate to meet the projected 10-year need. Little or no parking would be included in this option.
- If parking is provided for 21 cars, as shown, the available building area at this site is reduced to about 13,500 square feet. This is approximately 82% of the 10-year projected need.

Internal Building Organization

A new building on an open site naturally provides more options in designing the layout than an existing building with structures already in place. Additionally, because flexibility and adaptability are such important aspects of contemporary library design, a layout that works well for the present while accommodating existing structures may not be as capable of adapting to future programmatic changes.

Third and Bury:

- The south one-third of the existing building contains two interior bearing walls (walls that support the roof above) which limit renovation possibilities considerably.
- The building's east and west exterior walls are also bearing walls. The east wall could be largely removed and a new structure put in place adjoining the addition. However, it is unlikely that the west wall could be similarly treated, as there is a distance of only 18 feet to the west property line. Thus, the expensive change to the structure on the west would result in a gain of only about 1800 square feet, the layout of which would be limited by structural needs.

Third and Main:

- This site clearly has advantages over the existing building site in terms of freedom to design a layout that best meets the library's needs.

Budget

The attached spreadsheets show three options for utilizing the two sites: expansion of the current building with new parking adjacent to it, a new building of 16,500 square feet with no dedicated parking, and a smaller new building with some off-street parking.

The budgets do not include any costs for land acquisition or proceeds from a possible sale of the existing building site.

Construction costs are given as a range based on recent experience with similar projects. The costs are given in 2016 dollars. Escalation due to inflation of 3-5% per year should be anticipated depending on timing of the project.

Conclusions

It is clear that neither of the site options is optimal for the library's expansion needs. Both are too small to house the entire projected need plus parking. But both provide opportunities to greatly enhance the library's ability to serve the community. The Foundation and Board should consider several questions in order to make a final selection concerning an expansion site, including:

- How critical is on-site parking to the success of the project? If parking is a high priority, neither of the two sites may be adequate to the library's needs.
- Are there other opportunities for trading or purchasing properties in the city?
- What is the fundraising capacity of the library, through public and private efforts?

Library Expansion Budget Options

March 4, 2016

Tonganoxie Public Library, Tonganoxie, KS

Third and Bury, Option A

Construction Costs	UNIT	QTY.	\$/UNIT		
Renovation	SF	6,000	80-100	\$480,000	\$600,000
Addition	SF	8,500	150-180	\$1,275,000	\$1,530,000
Parking, Sitework	SY	720	270-315	\$194,400	\$226,800
				<u>\$1,949,400</u>	<u>\$2,356,800</u>

Non-Construction Costs

Geotechnical and construction testing				\$5,000	\$8,000
Printing, reimbursable expenses				\$1,000	\$3,000
Architectural, structural, & MEP services (8%)				\$155,952	\$188,544
Non-Construction				<u>\$161,952</u>	<u>\$199,544</u>

Furnishings, Fixtures, and Equipment

Calculated at \$20-25 per square foot				\$276,000	\$345,000
Total Budget Estimate				\$2,387,352	\$2,901,344
Square foot cost				\$173.00	\$210.24

**Library Expansion Budget Options
Tonganoxie Public Library, Tonganoxie, KS**

March 4, 2016

Construction Costs	UNIT	QTY.	\$/UNIT		
Renovation	SF	0	80-100	\$0	\$0
Addition	SF	16,500	150-180	\$2,475,000	\$2,970,000
Parking, Sitework	SY	0	270-315	\$0	\$0
				\$2,475,000	\$2,970,000
 Non-Construction Costs					
Geotechnical and construction testing				\$5,000	\$8,000
Printing, reimbursable expenses				\$1,000	\$3,000
Architectural, structural, & MEP services (8%)				\$198,000	\$237,600
Non-Construction				\$204,000	\$248,600
 Furnishings, Fixtures, and Equipment					
Calculated at \$20-25 per square foot				\$320,000	\$400,000
Total Budget Estimate				\$2,999,000	\$3,618,600
Square foot cost				\$187.44	\$226.16

**Library Expansion Budget Options
Tonganoxie Public Library, Tonganoxie, KS**

March 4, 2016

Construction Costs	UNIT	QTY.	\$/UNIT		
Renovation	SF	0	80-100	\$0	\$0
Addition	SF	13,500	150-180	\$2,025,000	\$2,430,000
Parking, Sitework	SY	480	270-315	\$129,600	\$151,200
				<u>\$2,154,600</u>	<u>\$2,581,200</u>
 Non-Construction Costs					
Geotechnical and construction testing				\$5,000	\$8,000
Printing, reimbursable expenses				\$1,000	\$3,000
Architectural, structural, & MEP services (8%)				\$172,368	\$206,496
Non-Construction				<u>\$178,368</u>	<u>\$217,496</u>
 Furnishings, Fixtures, and Equipment					
Calculated at \$20-25 per square foot				\$320,000	\$400,000
Total Budget Estimate				\$2,652,968	\$3,198,696
Square foot cost				\$221.08	\$266.56



City of Tonganoxie

January 9, 2017

Dear Tonganoxie Resident:

As you may know, the City of Tonganoxie is holding a mail ballot election in February to ask voters to consider replacing the City's current $\frac{3}{4}$ cent sales tax with a new $\frac{3}{4}$ cent sales tax. This proposed sales tax would not increase the current sales tax rate in Tonganoxie.

In 2007, Tonganoxie voters approved a 10-year, 0.75% sales tax, which helped pay for the construction of the Tonganoxie Water Park. This sales tax will expire on September 30, 2017, as the water park improvements will be paid in full at this time. The new 0.75% sales tax, if approved by voters, will take effect on October 1, 2017 through September 30, 2037. This revenue would be used to pay for the construction of a new library, new infrastructure improvements, and maintenance of existing infrastructure. Additional information on these projects and the sales tax election is provided below.

New Library Construction

A portion of the sales tax is being proposed to pay for a new library. Preliminary estimates to build a new library that will meet the community's needs well into the future came in at a cost of \$3 to \$3.6 million. The location of the new library has not been finalized, but the Library Board voted for it to remain downtown. The locations that the Board is considering include the old elementary school property at the corner of 4th and Church Streets, as well as the city-owned property at the corner of 3rd and Main Streets, across from Gallagher Park.

City Infrastructure

The remaining portion of the sales tax would be used for city infrastructure maintenance and improvements. The City Council recently prioritized the infrastructure needs of the City, and this capital projects list includes new infrastructure improvements, including streets, trails, stormwater infrastructure and utility improvements, as well as the maintenance of the City's current infrastructure, including street maintenance and reconstruction, bridge repair/replacement, and utility maintenance. The total cost of the City's current capital improvement needs is approximately \$30 million, which cannot be paid for by the proposed sales tax alone. A complete listing of the city's current capital project needs is available on our website at Tonganoxie.org.

Election/Voting Information

Ballots will be mailed by the Leavenworth County Clerk's Office to all registered voters within city limits on February 8, 2017. All ballots must be received by the County Clerk by noon on February 28, 2017 to be counted in the official election results. Ballots can be mailed in the pre-paid envelope provided, dropped off at the ballot box in front of the County Annex in Tonganoxie, located at 725 Laming Road, or dropped off at the County Clerk's Office at 300 Walnut Street, Leavenworth, KS. The deadline to register to vote in this election is January 27, 2017. Additional information about voting and filling out the ballot can be found at LeavenworthCounty.org.

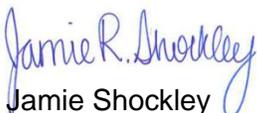
Informational Meetings

The City is hosting informational meetings at 6:00 p.m. on Wednesday, January 25 and Tuesday, February 7 to answer questions regarding the proposed sales tax. The meetings will take place in the Council Chambers, located at 321 S. Delaware Street. City staff and library staff will be present to answer questions relating to the election and proposed projects that could be paid for with the sales tax revenue.

More Information

A wealth of information regarding the sales tax election, proposed projects, frequently asked questions, and voting information has been provided on our website at Tonganoxie.org/Government/Sales Tax. If you have additional questions, please do not hesitate to contact me. I can be reached at 913-845-2620 or jshockley@tonganoxie.org.

Sincerely,


Jamie Shockley

Interim City Manager

City of Tonganoxie
PO Box 326

Tonganoxie, Kansas 66086
www.tonganoxie.org (913) 845-2620

3/4-CENT SALES TAX ELECTION 2017

FAST FACTS

The City of Tonganoxie is holding a mail ballot election in February 2017 to ask voters to consider replacing the City's current 3/4-cent sales tax with a new 3/4-cent sales tax. This proposed sales tax would not increase the current sales tax rate in Tonganoxie.

CONSTRUCTION OF NEW LIBRARY

A portion of the sales tax would be used to pay for the construction of a new library, which is estimated to cost between \$3 million and \$3.6 million. The location of the new library has not been finalized, but the Library Board would like it to remain Downtown.

CITY INFRASTRUCTURE

The remaining portion of the sales tax would be used for city infrastructure maintenance and improvements. The City's capital project list totals \$30 million. A complete project list and cost estimates are available at Tonganoxie.org or at City Hall, 526 E. 4th Street.

NO TAX RATE INCREASE

This proposed sales tax would not increase the tax rate in Tonganoxie. It will replace a current 3/4-cent sales tax that expires in September of 2017, which was used to pay for the construction of the Tonganoxie Water Park. The sales tax rate is currently 9.25%.

ELECTION INFO

Ballots will be mailed on February 8 to all registered voters in city limits. Ballots must be returned to the County Clerk by noon on February 28. They can be mailed, dropped off at the County Courthouse, or dropped off in the ballot box in front of the County Annex. For questions regarding ballots, call the County Clerk at 913-684-0421.

VOTER REGISTRATION

Register to vote online at the Kansas Secretary of State's Office or at Tonganoxie City Hall. The deadline to register to vote in this election is January 27, 2017.

PROJECTED REVENUE

The sales tax, if approved by voters, is projected to provide \$365,000 per year, for an estimated total of \$7.3 million over twenty years. This revenue would cover the construction of a new library and about 15% of the City's other infrastructure maintenance and enhancement needs.

ADDITIONAL INFORMATION

[Tonganoxie.org/government/
SalesTax](http://Tonganoxie.org/government/SalesTax)



Office of the City Manager
AGENDA STATEMENT

DATE: October 16, 2017
To: Honorable Mayor Jason K. Ward and Members of the City Council
FROM: Jamie Shockley, Assistant City Manager
SUBJECT: September 2017 Financial Report

DISCUSSION:

As of September 30, or 75% through the fiscal year, the City collected 86% of budgeted revenues in all funds and spent 74% of budgeted expenditures.

Below are further highlights:

**General Fund
Revenues**

- Overall General Fund revenues are currently tracking at 86% of budget estimates. In September of 2016, General Fund revenues were tracking at 85% of budget estimates.
- Total sales tax revenue collected in the General Fund through September adds up to 81% of budget estimates. Collections through September of this year came in at 10% more than what was collected through September of 2016.
- Use tax has collected \$79,188 in the General Fund through September, which equates to 72% of budget estimates for the year. Collections through September show a 4% increase over what was collected through September of 2016.
- Property tax collection is currently tracking at 96% of budget estimates. The City did receive a property tax payment in September. At this time last year, 94% of property taxes had been collected.
- Building permits collected 177% of budget estimates through September. Collections so far this year are showing a 59% increase from what was collected through September of last year.
- Municipal court fines have collected 64% of budget estimates through September. Collections this year are showing a 24% decrease from this time last year; however, last year's collections were much larger than what we typically see in most years.
- Franchise fees have collected 76% of budget estimates through September. Collections this year are showing a 5% increase from what was collected through September of 2016, mostly due to increased payments from electric utilities.

Expenditures

- Overall General Fund expenditures are tracking at 72% of budgeted expenditures as of the end of September. In 2016, General Fund expenditures were tracking at 76% of budgeted expenditures.
- As of the end of September, 69% of the personal services budget has been expended in the General Fund, while 85% of contractual services, 63% of commodities, 54% of equipment, and 95% of the debt service budgets have been expended. The large costs associated with contractual services are due to increased professional services directly related to development review, and there are no more debt payments planned in the General Fund for the rest of 2017.

Utility Funds

- The Water Operations Fund is tracking at 77% of revenue estimates and 83% of budgeted expenditures. More specifically, water charges collected totaled 77% of budget estimates for the year. This is about 3% more than what was collected through September of 2017, and there was not a rate increase in 2017. The expenditures in the fund are higher than we would expect them to be for this time of year, and this is due to increased costs in purchasing water from BPU. To date, the city has spent 101% of its water purchase budget, and projections show year-end expenditures for this line item will exceed the budgeted amount by approximately \$85,000. The reason for this is because of increased water usage that we've experienced this year (8% more than last year) coupled with issues with our collector wells that Public Works is currently working with Kansas Rural Water to resolve. As a result, the original Water Operations budget did not anticipate this growth and the need to purchase additional water from BPU, so a budget amendment will be needed. Staff plans to prepare the budget amendment for the first meeting in November.
- The Sewer Operations Fund is tracking at 81% of revenue estimates and 86% of budgeted expenditures. Revenues collected through September represent a 3% increase from what was collected at this time last year, a portion of which is due to increased revenue from sewer inspections. The Sewer Operations Fund was tracking at 78% of revenue estimates and 83% of budgeted expenditures at this time last year.
- The Sanitation Fund is tracking at 76% of revenue estimates and 79% of budgeted expenditures. This fund has collected 2% more in revenue this year than it did this time last year. The trash rates for 2017 did not increase.

Other Funds

- The Special Highway Fund is tracking at 107% of revenue estimates for the year and 47% of budgeted expenditures.
- The Capital Projects Fund collected 95% of budget estimates for the year and spent 60% of the total budget authority. This fund's main revenue source is the countywide sales and use tax. So far this year, \$349,120 has been collected from this sales and use tax, which is a 4% increase from what was collected through September of 2016.
- The Water Park Sales Tax collected 85% of revenue estimates for the year, and collected 9%, or about \$30,000, more than what was collected through September of 2016.
- The Debt Bond and Interest fund has collected 82% of revenue estimates for the year and spent 94% of expenditures.
- The Water Equipment and Sewer Equipment Reserve funds are performing exceptionally well. The Water Equipment Reserve fund has collected 192% of revenue estimates for the year through September and the Sewer Equipment Reserve Fund has collected 182%. The revenue in these funds comes from water taps and sewer inspections, which are paid on new development when the building permit fee is paid. The increase in development we've seen this year is directly impacting the performance of these funds.

cc: George Brajkovic, City Manager
Jeff Brandau, Police Chief
Kent Heskett, Public Works Director
Jack Holcom, Fire Chief



Fund	Beginning Balance	Total Revenues	Total Expenses	Ending Balance
100 - General Fund	433,821.49	2,434,686.02	2,099,469.56	769,037.95
210 - Water Operations Fund	362,025.50	888,653.58	956,229.53	294,449.55
220 - Sewer Operations Fund	273,231.74	624,533.51	667,045.37	230,719.88
230 - Sanitation Fund	120,859.99	258,514.90	269,335.18	110,039.71
310 - Transient Guest Tax	1,527.94	479.12	0.00	2,007.06
330 - Special Parks	15,042.12	2,597.79	4,886.79	12,753.12
340 - Special Highway	148,974.25	181,503.80	80,245.82	250,232.23
360 - Capital Projects	177,233.68	424,119.80	290,055.83	311,297.65
410 - Fire Equipment Reserve	96,449.74	169,798.03	125,918.31	140,329.46
420 - Police Equipment Reserve	15,610.44	26,700.00	7,719.36	34,591.08
430 - Sewer Capital Reserve	308,031.66	54,975.00	21,553.92	341,452.74
440 - Water Capital Reserve	273,325.28	40,286.09	31,842.48	281,768.89
450 - Capital Reserve	915.03	0.00	0.00	915.03
500 - Debt, Bond, and Interest	249,920.65	705,880.36	814,496.01	141,305.00
Report Total:	2,476,969.51	5,812,728.00	5,368,798.16	2,920,899.35

**CITY OF TONGANOXIE, KANSAS
SUMMARY OF RECEIPTS, DISBURSEMENTS & CASH BALANCES
FOR 3RD QUARTER ENDED SEPTEMBER 30, 2017**

	12/31/2016			9/30/2017	
	BEGIN. BALANCE	RECEIPTS	DISBURSEMENTS	ENDING BALANCE	
GENERAL	\$ 433,821	\$ 2,434,686	\$ 2,099,470	\$ 769,037	
Enterprise Funds					
WATER	\$ 362,026	\$ 888,654	\$ 956,230	\$ 294,450	
SEWER	\$ 273,232	\$ 624,534	\$ 667,045	\$ 230,720	
SANITATION	\$ 120,860	\$ 258,516	\$ 269,335	\$ 110,041	
SEWER CAP IMPROVEMENT	\$ 308,032	\$ 54,975	\$ 21,554	\$ 341,453	
WATER CAP IMPROVEMENT	\$ 273,325	\$ 40,286	\$ 31,842	\$ 281,769	
Special Revenue Funds					
TRANSIENT GUEST TAX	\$ 1,528	\$ 479	\$ -	\$ 2,007	
LIBRARY	\$ 11,403	\$ 335,688	\$ 311,218	\$ 35,873	
LAW ENFORCEMENT.TRUST	\$ 1,606	\$ 100	\$ -	\$ 1,706	
SPECIAL PARKS	\$ 15,042	\$ 2,598	\$ 4,887	\$ 12,753	
Debt Service Funds					
DEBT SERVICE	\$ 249,921	\$ 705,880	\$ 814,496	\$ 141,305	
WATER PARK SALES TAX	\$ 6,820	\$ 311,153	\$ 313,153	\$ 4,820	
Capital Projects Funds					
SPECIAL HIGHWAY	\$ 148,974	\$ 181,504	\$ 80,246	\$ 250,232	
EQUIPMENT RESERVE	\$ 915	\$ -	\$ -	\$ 915	
CAPITAL PROJECTS	\$ 177,234	\$ 424,120	\$ 290,056	\$ 311,298	
POLICE DEPT EQUIP RESERVE	\$ 15,610	\$ 26,700	\$ 7,719	\$ 34,591	
FIRE DEPT EQUIP RESERVE	\$ 96,450	\$ 169,798	\$ 125,918	\$ 140,329	
TOTALS	\$ 2,496,799	\$ 6,459,671	\$ 5,993,169	\$ 2,963,301	

OUTSTANDING DEBT

GENERAL OBLIGATION BONDS					
2000 4th Street Improvement	\$ 45,000				
2007A PW Facility	\$ 990,000				
2007B Water Park	\$ -				
2009 Streets	\$ 960,000				
2010 A Streets	\$ 740,000				
2013A Industrial Park	\$ 1,535,000				
2013B Refunding Rev. Loans	\$ 4,935,000				
Sub-Total	\$ 9,205,000				
OTHER OBLIGATIONS					
Lease Purchases	\$ 1,004,358				
Ball Fields - Rec Commission	\$ 189,879				
Radio Lease	\$ -				
County Road 1	\$ 800,000				
Sub-Total	\$ 1,994,237				
Grand Total	\$ 11,199,237				

I, JoAnn Ferguson, Treasurer of the City of Tonganoxie, do hereby certify that the above statement is correct.

Attest: _____ Signed: JoAnn Ferguson, Treasurer
Subscribed and sworn before me this 16th Day of October, 2017

(Seal)

Signed: Jamie Shockley, Assistant City Manager