



City of Tonganoxie City Council Meeting Agenda

April 7, 2025

7:00 Regular Meeting, City Council Chambers, 303 Bury Street, Tonganoxie, KS 66086

There may be an audio recording of the meeting which will be utilized to prepare meeting minutes and the meeting may be broadcast on the City of Tonganoxie YouTube Channel

Mayor: David Frese; Council Members: Jacob Dale, Lorelee Stevens, Chris Donnelly, Jennifer McCutchen, Matt Partridge

Open Regular Meeting – 7:00 p.m.

- I. Pledge of Allegiance**
- II. Approval of Minutes** – Regular meeting dated March 17, 2025
- III. Consent Agenda**
 - a) Review bill payments
- IV. Old Business**
- V. New Business**
 - a) Consider Approval of City Attorney and Municipal Court Judge Reappointments
 - b) Ordinance 1527: Adjustments to City Code for Rabies Vaccination Records and Pet Identification Requirements
 - c) Resolution 04-25-01: Authorization of Acceptance of Dedication of Utility Easements
 - d) Ordinance 1528: Authorization and Approval of KDHE Loan Agreement for KWPCRF Project No. C20 3067 01 – City Wastewater Treatment Plant Improvements
 - e) Ordinance 1529: Amend Legal Description in Annexation Ordinance 1516
- VI. City Manager Agenda**
 1. February 2025 Financial Report
- VII. City Attorney Agenda**
- VIII. Mayor Pro Tem Agenda**
- IX. City Council Agenda**
- X. Mayor Agenda**
 1. Tonganoxie High School Girls Wrestling State Championship Recognition
 2. Proclamation recognizing April 2025 as Child Abuse Prevention Month presented by the CASA Association.
- XI. Adjourn**

Council Meeting Minutes
March 17, 2025
7:00 PM Meeting

I. Pledge of Allegiance

- Mayor Frese opened the meeting at 7:00 p.m.
- Mayor Frese led the pledge of allegiance.
- Mayor Frese, Mr. Partridge, Ms. McCutchen, Mr. Donnelly and Mr. Dale were present. Ms. Stevens was absent.
- City Manager George Brajkovic, City Attorney Anna Krstulic and City Clerk Lindsay Huntington were also present.

II. Approval of Minutes – Regular meeting dated March 3, 2025

- **Mr. Partridge made a motion to approve draft minutes from the regular meeting dated March 3, 2025.**
- **Mr. Donnelly seconded the motion.**
- **Vote of all ayes, motion carried.**

III. Consent Agenda

- a) Review bill payments
 - **Mr. Donnelly made a motion to approve the consent agenda.**
 - **Ms. McCutchen seconded the motion.**
 - **Vote of all ayes, motion carried.**

IV. Old Business

V. New Business

- a) Resolution 03-25-02: Consider Approval of Contract for the 2025 Water Tower Resurfacing Project
 - Mr. Brajkovic explained the original intent was to paint only the outside of the tower however after an inspection of the inside of the tank it was determined that it would be in the best interest to paint the inside of the tank as well. This was originally budgeted for the outside only. Staff recommends the additional costs to paint the inside of the tank come from the water operations funds.
 - Mr. Brajkovic stated staff recommends moving forward with the contract.
 - Mr. Brajkovic confirmed the logo will face east to west and no budget amendment is necessary at this time.
 - **Mr. Partridge made a motion to approve Resolution 03-25-02, authorizing execution of the Water Tower Resurfacing Project Contract with Maguire Iron Inc. funded from the City's Water Operations Fund and Water Capital Funds.**
 - **Mr. Dale seconded the motion.**
 - **Vote of all ayes, motion carried.**
- b) Ordinance 1526: Adjustments to City Code References to the City's Pet Licensing Requirements
 - Mr. Brajkovic provided the Council with the updated ordinance regarding the City pet licensing requirements.
 - Mr. Brajkovic stated the new ordinance removes the City licensing requirements and bolstered the vaccination requirements as previously discussed.
 - **Mr. Donnelly made a motion to approve Ordinance No. 1526; An Ordinance Amending the Animal Control Regulations of the City of Tonganoxie, Kansas Pertaining to License Requirements; Amending and Repealing Existing Sections of the Tonganoxie City Code.**
 - **Mr. Partridge seconded the motion.**
 - **Vote of all ayes, motion carried.**
- c) Consider Acceptance of Dedication of Utility Easements

- Mr. Brajkovic requested this item be moved to potentially the April 7, 2025 City Council meeting. Mr. Brajkovic stated the additional time will allow for staff to continue to reach out and educate the residents effected by the project. Additionally, staff is awaiting a response on questions directed to the Leavenworth County register of deeds office.
- City Council had no objections.

d) Consider Acceptance of Public Dedications of a Final Plat for Stone Creek Addition No. 14

- Mr. Donnelly recused himself from the discussion due to a conflict of interest.
- Mr. Brajkovic stated this is the final item on the north side of the Stone Creek development area. Mr. Brajkovic added this item has gone through planning and received unanimous approval.
- Mr. Brajkovic stated approximately 20 years ago Mr. Donnelly advanced a preliminary plat for the entirety of Stone Creek and now is advancing a final plat for this specific area with a few minor changes. It was originally contemplated that there would be a through road that comes off the proposed area however since the preliminary plat the Rural Water District had acquired certain properties in that area and placed wells which prevent future development on that property.
- Mr. Brajkovic stated the developer has proposed and staff is supportive of is creating a cul-de-sac similar to other cul-de-sacs to the north within Stone Creek.
- Mr. Donnelly, 551 N Oakwood Lane, with Stone Creek Development stated in 1999 the original plat was filed for Stone Creek development and this is the file addition. Mr. Donnelly stated Stone Creek Development LLC is the original developer and the area in front of Stone Creek to the south is still named Stone Creek but is Rausch Coleman and Stone Creek Development LLC is not related to that project.
- Mr. Donnelly stated it is time to finish the development and it has worked out well and is good for the community. Mr. Donnelly added that he is proud of the development and feels it has helped Tonganoxie start back to adding housing when there was nothing else available at all to do.
- **Mr. Donnelly recused himself from the vote.**
- **Mr. Partridge made a motion to accept the Public Dedications of a Final Plat for Stone Creek Edition N. 14.**
- **Mr. Dale seconded the motion.**
- **Roll Call Vote of all ayes, motion carried.**

VI. City Manager Agenda

- Mr. Brajkovic noted the monthly budget report will be giving at the next City Council meeting.

VII. City Attorney Agenda

VIII. Mayor Pro Tem Agenda

IX. City Council Agenda

- Mr. Brajkovic stated as a follow up to Mr. Partridges comments at the last City Council meeting regarding the Tonganoxie High School wrestling team winning State Staff has a commitment for them to be presented at the April 7, 2025 meeting.

X. Mayor Agenda

1. Executive Session for consultation with an attorney for the public body or agency which would be deemed privileged in the attorney-client relationship.
 - **Ms. McCutchen moved that the City Council recess into executive session to obtain legal advice regarding annexation, pursuant to the attorney client consultation exception in K.S.A. 75-4319(b)(2). The executive session will include the City Attorney, City Manager and City Clerk. The open meeting will resume in the City Council chambers at 7:30 p.m.**
 - **Mr. Partridge seconded the motion.**
 - **Vote of all ayes, motion carried.**

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- Mayor Frese resumed the meeting at 7:30 p.m. and noted that no binding action was taken in executive session.

XI. Adjourn

- Mr. Dale made a motion to adjourn the meeting.
- Mr. Partridge seconded the motion.
- Vote of all ayes, motion carried.
- Meeting adjourned at 7:31 p.m.

Respectfully submitted,

Lindsay Huntington

Lindsay Huntington, City Clerk

DRAFT



City of Tonganoxie, KS

My Check Report

By Check Number

Date Range: 03/14/2025 - 04/04/2025

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP Bank						
0034	AT&T ACCESS TRANSPORT SERVICES	03/14/2025	Regular	0	78.18	53782
0051	BG CONSULTANTS INC	03/14/2025	Regular	0	30391.5	53783
0070	BROTHER' S MARKET	03/14/2025	Regular	0	143.29	53784
1067	CLINTON COUNTY LAUNDRY	03/14/2025	Regular	0	1052.9	53785
0185	FERRELLGAS, LP	03/14/2025	Regular	0	4048.89	53786
0189	FIRST STATE BANK & TRUST	03/14/2025	Regular	0	3.36	53787
0059	Kansas City Board of Public Utilities	03/14/2025	Regular	0	46653.12	53788
0330	KANSAS GAS SERVICE	03/14/2025	Regular	0	2831.2	53789
1480	KING CONSTRUCTION COMPANY, INC.	03/14/2025	Regular	0	90637.26	53790
0426	LEAVENWORTH COUNTY SHERIFF OFFICE	03/14/2025	Regular	0	120	53791
0857	MIDCONTINENT COMMUNICATIONS	03/14/2025	Regular	0	176.61	53792
0857	MIDCONTINENT COMMUNICATIONS	03/14/2025	Regular	0	446.35	53793
0216	MULTISTUDIO, INC.	03/14/2025	Regular	0	1800	53794
0491	OLATHE WINWATER WORKS	03/14/2025	Regular	0	370	53795
0503	PACE ANALYTICAL SERVICES INC	03/14/2025	Regular	0	627.8	53796
1360	PARK ENTERPRISE LLC	03/14/2025	Regular	0	459.87	53797
0542	QUILL	03/14/2025	Regular	0	34.47	53798
0542	QUILL	03/14/2025	Regular	0	14.59	53799
0548	RECORDNEWS	03/14/2025	Regular	0	761.1	53800
0579	SECURITY BENEFIT - 457	03/14/2025	Regular	0	7201.54	53801
0657	VERNON MANUFACTURING CO., INC.	03/14/2025	Regular	0	130	53802
0020	AMERICAN EQUIPMENT CO.	03/21/2025	Regular	0	929.3	53803
0046	BAY BRIDGE ADMINISTRATORS, LLC	03/21/2025	Regular	0	747.89	53804
0056	BLUE CROSS AND BLUE SHIELD	03/21/2025	Regular	0	49139.24	53805
0113	COMMERCIAL AQUATIC SERVICES	03/21/2025	Regular	0	35182.68	53806
1200	EICHHORN HOLDINGS LLC	03/21/2025	Regular	0	93.98	53807
0178	FASTENAL COMPANY	03/21/2025	Regular	0	7.16	53808
1042	Foley Equipment	03/21/2025	Regular	0	72.7	53809
0813	FREESTATE ELECTRIC COOPERATIVE	03/21/2025	Regular	0	2178	53810
1327	INTEGRITY GLOBAL SOLUTIONS, LLC	03/21/2025	Regular	0	6435.56	53811
0270	INTOXIMETERS, INC	03/21/2025	Regular	0	507.5	53812
0360	KEY EQUIPMENT & SUPPLY CO	03/21/2025	Regular	0	328.21	53813
0732	METLIFE	03/21/2025	Regular	0	451.55	53814
1283	METROPOLITAN CHIEF'S AND SHERIFF'S ASSOC	03/21/2025	Regular	0	200	53815
0857	MIDCONTINENT COMMUNICATIONS	03/21/2025	Regular	0	313.18	53816
0857	MIDCONTINENT COMMUNICATIONS	03/21/2025	Regular	0	91.1	53817
0857	MIDCONTINENT COMMUNICATIONS	03/21/2025	Regular	0	277.93	53818
0491	OLATHE WINWATER WORKS	03/21/2025	Regular	0	13650	53819
0500	O'REILLY AUTO PARTS	03/21/2025	Regular	0	674.85	53820
1324	SKGFRTZ LLC	03/21/2025	Regular	0	920	53821
1358	THE UNIVERSITY OF KANSAS	03/21/2025	Regular	0	30	53822
0038	B & W FIRE LLC	03/28/2025	Regular	0	1233.39	53823
0892	Baker's Recovery & Tow	03/28/2025	Regular	0	150	53824
1083	Bay Bridge Administrators, LLC FSA	03/28/2025	Regular	0	1434.32	53825
1031	Bobby Knowles	03/28/2025	Regular	0	132.35	53826
0113	COMMERCIAL AQUATIC SERVICES	03/28/2025	Regular	0	42.91	53827
0136	DELTA DENTAL PLAN OF KANSAS,IN	03/28/2025	Regular	0	3184.22	53828
0189	FIRST STATE BANK & TRUST	03/28/2025	Regular	0	2424.12	53829
0205	GALL'S LLC	03/28/2025	Regular	0	116.56	53830
0248	HOLLIDAY SAND & GRAVEL, LLC	03/28/2025	Regular	0	1582.36	53831
1480	KING CONSTRUCTION COMPANY, INC.	03/28/2025	Regular	0	167404.99	53832
0395	Leavenworth County Development Corporation	03/28/2025	Regular	0	180	53833
1112	Life-Assist, INC	03/28/2025	Regular	0	101.53	53834
1420	LYNN ELECTRIC & COMMUNICATIONS, INC	03/28/2025	Regular	0	971.8	53835

My Check Report

Date Range: 03/14/2025 - 04/04/2025

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
0381	MARK E. LADESIC	03/28/2025	Regular	0	333	53836
0857	MIDCONTINENT COMMUNICATIONS	03/28/2025	Regular	0	60.39	53837
0216	MULTISTUDIO, INC.	03/28/2025	Regular	0	3673.5	53838
1318	MUTUAL OF OMAHA INSURANCE COMPANY	03/28/2025	Regular	0	257.2	53839
0888	NATIONWIDE MUTUAL INSURANCE COMPANY	03/28/2025	Regular	0	300	53840
1300	OFFICE OF ACCOUNTS AND REPORTS	03/28/2025	Regular	0	75	53841
0542	QUILL	03/28/2025	Regular	0	39.58	53842
0542	QUILL	03/28/2025	Regular	0	179.99	53843
0575	SCOTWOOD INDUSTRIES LLC	03/28/2025	Regular	0	1303.5	53844
0579	SECURITY BENEFIT - 457	03/28/2025	Regular	0	7001.54	53845
1068	Stinson LLP	03/28/2025	Regular	0	10279.77	53846
0668	WEIS FIRE AND SAFETY EQUIPMENT, LLC	03/28/2025	Regular	0	598.07	53847

Bank Code AP Bank Summary

	Payable	Payment		
Payment Type	Count	Count	Discount	Payment
Regular Checks	93	66	0.00	503,272.95
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
	93	66	0.00	503,272.95

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	93	66	0.00	503,272.95
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
	93	66	0.00	503,272.95

Fund Summary

Fund	Name	Period	Amount
998	Gen Fund-Pooled Cash	3/2025	503272.95
			503272.95



Office of the City Manager **AGENDA STATEMENT**

DATE: April 7, 2025
TO: Honorable Mayor David Frese and Members of the City Council
FROM: Lindsay Huntington, City Clerk
SUBJECT: Consider Appointment of Municipal Court Judge and City Attorney Positions

DISCUSSION:

K.S.A. 14-201 requires the Mayor, by and with the consent of the City Council, to appoint certain city officers in May of each year. The City of Tonganoxie Charter Ordinance 26 gives the Mayor, by and with the consent of the City Council, the authority to appoint two officers on an annual basis - the Municipal Court Judge and City Attorney.

The incumbent for each position has expressed their interest in continuing in the role for an additional year and City staff support reappointment for both positions.

BUDGET IMPACT:

There is no anticipated impact on the 2025 budget. The City currently has an agreement with Municipal Judge Kenneth Moore to pay \$800 per month for services rendered. No change is anticipated with this appointment. The City currently has an agreement with Stinson LLP to pay \$4,200 per month for general City Attorney services rendered. No change is anticipated with this appointment.

ACTION NEEDED:

1. Mayor Frese requesting the City Council's consent to reappoint Kenneth Moore as Municipal Court Judge.
2. Mayor Frese requesting the City Council's consent to reappoint Anna Krstulic as City Attorney.

ATTACHMENTS:

Engagement Letter from Judge Moore
Reappointment Letter from Anna Krstulic

CC:

George Brajkovic, City Manager
Dan Porter, Assistant City Manager

Kenneth J. Moore
Attorney at Law KS 11398
3209 N 131st Street
Kansas City, KS 66109-4245
(913) 209-9426
kenmoore66401@gmail.com

March 19, 2025

George Brajkovic
City Manager
City of Tonganoxie Kansas

Re: Reappointment as Municipal Court Judge

Dear Mr. Brajkovic,

My current term serving as the Tonganoxie Municipal Court Judge expires May 31, 2025. I trust my service since December 2021 has been satisfactory, and I have enjoyed doing it. I would appreciate being considered for another one-year term under the current terms and conditions.

Please advise if further action on my part is necessary at this time. I appreciate your consideration.

Sincerely,



Kenneth J Moore

April 4, 2025

Via Electronic Mail

George Brajkovic
City Manager
City of Tonganoxie, Kansas
526 E. 4th Street
Tonganoxie, Kansas 66086
Email: gbrajkovic@tonganoxie.org

Re: City Attorney Reappointment

Dear Mr. Brajkovic:

I write to request reappointment as City Attorney for the City of Tonganoxie, Kansas for another year. It is a pleasure to work with the City, and I would be honored to continue this service. Thank you for your consideration.

Sincerely,

Stinson LLP



Anna M. Krstulic

AMK:



Office of the City Manager
AGENDA STATEMENT

DATE: April 7, 2025
TO: Honorable Mayor David Frese and Members of the City Council
FROM: Lindsay Huntington, City Clerk
SUBJECT: Ordinance No. 1527 – Adjustments to City Code References to the City's Pet Identification Requirements

DISCUSSION:

Following research which indicated several other cities in the Kansas City metropolitan area have made recent adjustments to longstanding practices and requirements for pet licensing. Following consideration, the City Council approved changes to animal licensing requirements in the City of Tonganoxie entirely removing the requirement to license dogs or cats with the City of Tonganoxie.

Following approval of this adjustment at the March 17, 2025 meeting of the City Council staff recognized that a section of the City Code which was removed eliminated the requirement to tag pet dogs and cats with identification. The draft ordinance proposed for consideration of the City Council reinserts updated pet identification requirements in the City Code. This includes requiring a pet dog or cat to have an attached identification tag or plate on their collar with the owner information or for the dog or cat to be microchipped. Proof of rabies vaccinations will also still be required upon law enforcement's request.

Link to March 17, 2025 City Council Agenda Packet information: <https://www.tonganoxie.org/city-council/agenda/march-17-2025-city-council-agenda-packet>

BUDGET IMPACT:

None from this proposed adjustment.

ACTION NEEDED:

Make a motion to approve Ordinance No. 1527 Amending the Animal Control Regulations of the City of Tonganoxie, Kansas Pertaining to License and Identification Requirements.

ATTACHMENTS:

Ordinance No. 1526

cc: George Brajkovic, City Manager
Dan Porter, Assistant City Manager
Anna Krstulic, City Attorney

ORDINANCE NO. 1527

AN ORDINANCE AMENDING THE ANIMAL CONTROL REGULATIONS OF THE CITY OF TONGANOXIE, KANSAS PERTAINING TO LICENSE REQUIREMENTS; AMENDING AND REPEALING EXISTING SECTIONS 2-1010 AND 2-1012 OF THE TONGANOXIE CITY CODE.

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

SECTION 1. Existing Section 2-1010 of the Tonganoxie City Code (the "Code") is hereby amended to read as follows:

2-1010. RECORDS OF DOG AND CAT RABIES VACCINATION.

- (a) It shall be unlawful for any person to own, keep or harbor any dog or cat over six (6) months old in the city unless such dog or cat is currently vaccinated against rabies and the owner can provide proof of vaccination from a licensed veterinarian.
- (b) If a licensed veterinarian recommends that a dog or cat not be vaccinated with a rabies vaccine for health purposes, the owner shall:
 - (1) Obtain a statement from a licensed veterinarian on official letterhead specifying the reason(s) that the animal should not be vaccinated; and
 - (2) Be able to provide proof to the permit authority if requested.

SECTION 2. Existing Section 2-1012 of the Code is hereby amended to read as follows:

2-1012. DOG AND CAT IDENTIFICATION REQUIRED.

- (a) It shall be unlawful for any person to own, keep or harbor any dog or cat over six (6) months old in the city without either:
 - (1) Securely attaching to the dog's or cat's collar an identification tag with the owner's contact information in a manner that can be readily seen; or
 - (2) Microchipping the dog or cat.
- (b) At a minimum, the tag or microchip shall contain a current telephone number of the owner.
- (c) The tag must be worn by the dog or cat at all times when the dog or cat is not indoors.

SECTION 3. Existing Sections 2-1010 and 2-1012 of the Code is hereby repealed.

SECTION 4. This Ordinance shall take effect and be in force from and after its publication, or the publication of a certified summary hereof, in the official City newspaper.

PASSED by the City Council on April 7, 2025. **APPROVED** by the Mayor.

David Frese, Mayor

ATTEST:

Lindsay Huntington, City Clerk

APPROVED AS TO FORM:

Anna M. Krstulic, City Attorney

CHAPTER II – ANIMAL CONTROL AND REGULATION¹

Article 5 – Good Neighbor Provisions

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2-505. LIMITATION ON NUMBER OF DOGS AND CATS.

(a) After June 1, 2011, it shall be unlawful and a public nuisance for any person in charge of a residence to keep or be allowed to keep two dogs and cats, or any combination of such animals exceeding four in number, over the age of 90 days at such residence unless the residence or all of the dogs and cats kept there are within one or more of the following exceptions:

(1) The property is zoned for a commercial animal establishment.

(2) All of the dogs and cats over 90 days of age kept at the residence are ~~vaccinated~~~~licensed~~ as required under this chapter and the person in charge of the residence upon request of any animal control officer or police officer presents for inspection certificates of ~~vaccination~~~~registry~~ for all such animals showing continuous ~~vaccination~~~~license~~~~sure~~ for all such animals from date, onward to and including present ~~vaccination~~~~license~~~~sure~~.

(3) The individual in charge of the residence has a current private breeder permit in the form of a special use permit, in which case the number of animals shall not exceed 25 over the age of 90 days and 25 under the age of 90 days.

(b) When animals in excess of the limit established in the preceding subsection are found at a residence, all of the animals found at the residence may be removed by the permit authority to be handled as if stray animals except that the person in charge of the residence, if present, may designate and retain up to four ~~licensed~~ animals.

(c) By keeping any dog or cat in the city the keeper consents to the limit in subsection (a) of this section and to removal as in subsection (b) of this section.

2-506. DANGEROUS DOGS.

(a) Confinement. Other than when using a dog as a guard dog or for law enforcement, no other person shall own, keep, harbor or allow to be upon any premises occupied by him or her or under his or her charge or control any dog of a cross, dangerous or ferocious disposition, which shall include, but not be limited to, any dog which has, without provocation, bitten any human within the prior 12 months, without such dog being confined behind a fence from which it cannot escape and being securely chained in such a manner that the animal cannot range within closer than three feet to the property line of the owner, keeper or harborer.

(b) Placarding Premises. When any dog is required by this section to be confined it shall also be required that a conspicuous notice be posted at the place of confinement of such a nature as to warn the public of the nature of the dog therein confined. The notice shall consist of a sign that is at least 12" in width and 12" in length. Said sign shall have lettering which is clearly legible and at least 3" high. The sign shall be constructed of durable material and firmly affixed or anchored to the place of confinement.

(c) Guard Dogs. Any guard dog (for purposes of this chapter herein defined as a dog not owned by a governmental unit which dog is used to guard public or private property) used in the city by virtue of such use is hereby declared to be subject to the ~~license~~ requirements of this chapter; must be vaccinated against rabies, distemper, hepatitis, leptospirosis and parvo virus by a licensed veterinarian, whose signed certificate of such will be furnished to the permit authority before such dog is put in service; must be

¹ This redline shows changes made by Ordinance No. 1526 to remove pet licensing requirements, as well as Ordinance No. 1527 to add rabies vaccination records and pet identification requirements.

controlled by its keeper and must not be used in a manner which, as determined by the director of the permit authority, endangers individuals not on the premises guarded. Any person operating a guard dog service in the city shall have a special use permit and shall register such business with the permit authority and shall list all premises to be guarded with the permit authority before such service begins.

(d) Violation - Disposition of Dog. Upon conviction of failure to comply with any provision of this section, in addition to the usual judgment of conviction, if it shall appear to the municipal judge that such dog is still living, he/she may order that said dog be humanely killed and direct the permit authority to enforce that order and the police shall assist as may be requested by the permit authority.

...

Article 10 – Dog and Cat Identification

...

2-1003. RESERVEDLICENSE REQUIRED FOR DOGS AND CATS.

~~It shall be the duty of every person owning, keeping or harboring in the city any dog or cat which is over 90 days old or which is no longer with its dam to procure a license therefore from the permit authority or designee. The receipt issued for the license shall constitute a certificate of registry and evidence of Licensure for the keeping of such dog or cat within the city.~~

2-1004. RESERVEDNONRESIDENTS.

~~Any other section of this chapter notwithstanding, the licensing provision of this article shall not apply to any nonresident owner or keeper of a dog or cat while such nonresident is passing through the city, provided such dog or cat shall remain on a leash or otherwise effectively physically restrained as in a closed vehicle. Dogs and cats of nonresidents need not be licensed during dog or cat shows or exhibitions.~~

2-1005. RESERVEDLICENSE FEE, EXCEPTION.

~~For the issuance of each dog and cat license required by this chapter, the owner or keeper shall pay to the city such license fee in the amount of \$15 or as is provided for in this chapter, except that when any such owner, keeper, or other applicant for such license shall submit such proof as may be required by the permit authority that a dog is fully trained, as a "seeing eye dog" or "hearing dog" and is regularly used in the service of a blind or deaf person or that a dog is owned by a governmental unit or other companion animals of disabled individuals, then such license shall be issued without the payment of such fee. If a certificate signed by a licensed veterinarian attesting that a dog or cat has been sterilized is submitted to the permit authority, a reduced fee shall be paid in the amount of \$10 or as provided for in this chapter. Any animal that is tagged after December 31 of a given year shall receive the partial year license to expire April 30th for half of the regular price or \$7 and \$5 if sterilized.~~

2-1006. RESERVEDLICENSING PERIOD.

~~The licensure evidenced by the certificate of registry shall entitle an owner or keeper to keep the licensed dog or cat in the city until the 30th day of April next following the date of issuance of the dog and cat license and certificate.~~

2-1007. RESERVEDCERTIFICATE OF IMMUNIZATION — LICENSURE PREREQUISITE.

~~Before the permit authority issues any license or tag for a dog or cat, the owner or keeper thereof shall file with the permit authority a certificate from a licensed veterinarian showing that within 365 days next preceding the issuance of such license, the dog was immunized against rabies, distemper, hepatitis, leptospirosis, parvo virus and that cat was immunized against rabies, distemper, pneumonitis and rhino tracheitis. The owner will also submit a signed certificate from a licensed veterinarian to the permit~~

authority as to whether or not a dog or cat has been sterilized if it is desired to obtain a license at the lower rate applicable to sterilized animals.

...

2-1010. RECORDS OF DOG AND CAT ~~RABIES VACCINATION~~REGISTRATION.²

(a) It shall be unlawful for any person to own, keep or harbor any dog or cat over six (6) months old in the city unless such dog or cat is currently vaccinated against rabies and the owner can provide proof of vaccination from a licensed veterinarian.

(b) If a licensed veterinarian recommends that a dog or cat not be vaccinated with a rabies vaccine for health purposes, the owner shall:

(1) Obtain a statement from a licensed veterinarian on official letterhead specifying the reason(s) that the animal should not be vaccinated; and

(2) Be able to provide proof to the permit authority if requested.

~~The permit authority shall keep a record giving the name and address of the owner or keeper of each licensed dog or cat and the number of the certificate of registry, together with a general description of the dog and cat.~~

2-1011. ~~RESERVED~~LICENSE TAGS, REPLACEMENT TAGS.

~~At the time of the issuance of a license required by this chapter, the permit authority shall deliver therewith a license tag showing the registration number and expiration date of the license. The permit authority shall furnish a replacement license tag to any such owner or keeper upon application satisfactory to the permit authority and payment of \$5. Any change in the form of license tag or tags used shall first be approved by the permit authority as suitable for dogs or cats or both.~~

2-1012. ~~DOG AND CAT~~WEARING OF LICENSE OR IDENTIFICATION TAGS REQUIRED.³

(a) It shall be unlawful for any person to own, keep or harbor any dog or cat over six (6) months old in the city without either:~~No owner or keeper of any licensed dog or cat shall allow or permit such dog or cat to be outside the residence structure of said owner or keeper at any time other than when enclosed on all sides in a cage or covered run without having attached to a collar about the neck of such animal or to a secure body harness the license tag provided for in section 2-1011 or the identification tag provided for in section 2-1011 except when such dog or cat is being handled in the course of an organized training or exhibition program.~~

(1) Securely attaching to the dog's or cat's collar an identification tag with the owner's contact information in a manner that can be readily seen; or

(2) Microchipping the dog or cat.

(b) At a minimum, the tag or microchip shall contain a current telephone number of the owner.~~No person shall remove, or caused to be removed, the collar, harness or the license tag from any registered dog or cat without the consent of the owner or keeper thereof.~~

(c) The tag must be worn by the dog or cat at all times when the dog or cat is not indoors.

² Ordinance No. 1526, passed on March 17, 2025, replaced the language of this section with "RESERVED."

³ Ordinance No. 1526, passed on March 17, 2025, replaced the language of this section with "RESERVED."

Article 11 – Disposition of Impounded Animals

...

2-1106. REQUIREMENT TO SPAY OR NEUTER ADOPTED ANIMALION FEES AND DEPOSITS.

~~After selection of a dog or cat, but prior to delivery of custody of the animal, the permit authority shall:~~

~~(a) — Collect a \$10 adoption fee and issue a receipt for such which shall constitute a temporary permit to keep the animal without license or tag for 10 days if it is over 91 days old or for 10 days after the animal becomes 90 days old, which date shall be entered on the receipt based on the animal's age as estimated by the permit authority and such age shall be conclusively presumed correct for the purposes of enforcement of this chapter.~~

~~(b) — Collect a \$50 deposit for any unneutered or unspayed dog or cat and shall refund this deposit if within 30 days the animal is licensed and satisfactory proof from a licensed veterinarian is submitted that such animal has been spayed or neutered. Failure to have an adopted animal neutered or spayed within 60 days of adoption shall constitute a violation.~~

~~(c) — Collect a \$25 deposit for any neutered or spayed dog or cat and shall refund this deposit if the animal is licensed and refund is requested within the period the animal may be kept without license or tag as indicated on the aforementioned temporary permit.~~

2-1107. RESERVEDDEPOSIT FORFEITURE.

~~Any deposit provided for in section 2-1106 is forfeited to the city treasury at the expiration of the applicable time limit for claim.~~

...

Article 12 – Animal Bites and Disease Control

2-1201. DOMESTIC DOG AND CAT BITES RESULTING IN HUMAN EXPOSURE TO RABIES.

Any bite wound exposing an individual to the possibility of rabies or other zoonotic disease (hereinafter "incident") shall be immediately reported to the police by the victim and by the owner, keeper or harbinger of the dog or cat if the incident is known to him or her. Any such dog or cat bite which requires medical treatment shall be reported within 24 hours to the Animal Control Officer by the treating physician or hospital caring for the patient. It shall be the duty of the police to promptly notify the Animal Control Officer of any such bite reported to the police.

It shall be the duty of every owner or keeper of any dog or cat upon receiving notice or having knowledge of the involvement of his or her pet in a human exposure to the possibility of rabies or other zoonotic disease by biting to immediately place such animal in a duly licensed veterinary medical facility, or in a location recommended by the permit authority, where such animal shall be isolated and confined for observation for 10 consecutive days from and including the day of the incident.

It shall be unlawful for the owner, keeper or person harboring the animal involved in such incident to release it from his or her custody or to hide or conceal such animal or to take or allow such animal to be taken beyond the limits of the city, unless so authorized by the Animal Control Officer, until the period of confinement and observation here are completed. The owner or keeper of such animal involved in an incident shall be liable for the cost of confinement and observation. The death or any suspicious change in the health or behavior of any such dog or cat undergoing observation shall be reported as soon as possible by the observing authority to the Animal Control Officer or his or her qualified designee. The Animal Control Officer or his or her qualified designee is hereby authorized to authorize confinement other than described above as he or she finds medically appropriate, providing such animal will be controlled and observed in accordance with the owner's signed agreement, but only if such dog or cat has been vaccinated

for prevention of rabies ~~and is duly licensed as provided by this chapter~~. Unless determined otherwise by the Animal Control Officer or his or her qualified designee, exceptions to the aforesaid confinement may be granted by the permit authority in the following cases:

- (1) Where a female dog is nursing unweaned puppies or a female cat is nursing unweaned kittens.
- (2) If the investigating officer determines both:
 - (a) That the incident occurred while the animal involved was confined and legally kept upon the property of the owner.
 - (b) That the person injured was upon the property without the express or implied consent of the owner and was not there performing functions of a job.

However, if a person injured in an incident or his or her parent or guardian in the case of a minor, desires that the animal be impounded even though an exception to impoundment has been granted as aforesaid and agrees in writing to pay for its board during the period of confinement, it shall be impounded in the manner and for the period specified earlier, unless determined otherwise by the Animal Control Officer or his or her qualified designee upon review of the facts and circumstances the incident.

...

Article 15 – Penalties

...

2-1504. SAME.

Any person violating any of the following sections of this chapter:

Article 12, Animal Bites and Disease Control

Section 2-1201, Sec. 1, Domestic Dog and Cat Bites Resulting in Human Exposure to Rabies

Section 2-1202, Human Exposure to Zoonotic Diseases by Animals Other than Dogs or Cats

Article 10, Dog and Cat Identification

Section 2-1009, Sec. 9, False Certificates

Article 11, Disposition of Impounded Animals

Section 2-1106~~(b)~~, ~~Requirement~~Failure to Spay or Neuter~~Have an~~ Adopted Animal **Neutered**

shall, upon conviction, be punished by a fine of not less than \$250 nor no more than \$1,000 or by imprisonment for a term not to exceed 180 days, or by both such fine and imprisonment.



Office of the City Manager **AGENDA STATEMENT**

DATE: April 7, 2025
TO: Honorable Mayor David Frese and Members of the City Council
FROM: Lindsay Huntington, City Clerk
SUBJECT: Resolution 04-25-01: Authorizing General Utility Easements (24-1001L Sanitary Sewer Project)

DISCUSSION:

The City has been completing preparations for an upcoming construction project to complete maintenance on the existing sanitary sewer main generally located in the midblock (behind the residences) between 2nd Street & 3rd Street and between US HW 24-40 and Church Street. After review of the condition of the existing sanitary sewer main in this location the City completed an engineering review which resulted in the recommendation for the City to complete a project to include pipe bursting/reaming treatment to the sewer main. This process involves excavating at the location of each of the individual sewer taps (connections from service lines to the sewer main) and at the ends of the sewer main pipe. Specialized equipment is used to pull a reaming or bursting head through the existing line. A new, restrained joint pipe is attached to the head and pulled in place to replace the existing. Lateral connections (taps from individual service lines into the sewer main) must be excavated and re-connected into the new pipe. This approach reduces excavation compared to a complete replacement.

While preparing plans for the proposed improvements the City researched property records with the assistance of the Leavenworth County Register of Deeds and identified that during the original platting and development of the area serviced by this sanitary sewer main between 2nd Street & 3rd Street and between US HW 24-40 and Church Street a utility easement in the rear yards of these residential properties was not recorded. Because of the age of the sanitary sewer main in this location the City and other present utility providers have the ability to complete necessary maintenance work on the existing infrastructure. However, securing and recording written easement documents will help provide the contractor and property owners with more clarity about the extent of areas available for construction activity to occur. In this endeavor City staff completed outreach to property owners in the project area in an attempt to secure a standard utility easement for each property. The outreach included provision of an introductory letter with a draft easement agreement, conducting a neighborhood meeting on March 10 hosted near the location at the Tonganoxie Public Library, and follow up phone call outreach. To date, more than half of the property owners have either signed or verbally agreed to sign an easement agreement. The attached draft resolution will allow City staff to complete signatures and recording of the easement documents for these properties. The properties with owners who choose not to agree to dedicate a utility easement to the City will continue to be within the scope of work of the project.

Updated Project Timeline:

March-April 2025: easement acquisition and recording
April – July 2025: final engineering design and bidding processes

BUDGET IMPACT:

None expected from this matter.

ACTION NEEDED:

Make a motion to approve Resolution 04-25-01, authorizing general utility easements for the 24-1001L sanitary sewer project

ATTACHMENTS:

Draft Resolution 04-25-01

cc: George Brajkovic, City Manager; Dan Porter, Assistant City Manager;
Kent Heskett, Public Works Director

RESOLUTION NO. 04-25-01

A RESOLUTION APPROVING AND AUTHORIZING ACCEPTANCE BY THE CITY OF TONGANOXIE, KANSAS OF GENERAL UTILITY EASEMENTS.

WHEREAS, the City of Tonganoxie, Kansas (the "City") desires to obtain general utility easements, each in substantially the form attached hereto as **Exhibit A** (collectively, the "Easements"), from the owners of those properties located in Block 6, Rail Road Addition to Tonge-Noxie, a subdivision in Leavenworth County, Kansas, according to the plat thereof recorded on June 21, 1867 in Plat Book 1B, Page 88 (the "Property");

WHEREAS, the Easements will facilitate the construction and maintenance of certain public utilities that would promote the public good, health, and welfare within the City; and

WHEREAS, the Governing Body has determined that it is advisable to accept the Easements from the owners of the Property.

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

Section 1. The Governing Body hereby accepts the Easements in substantially the form attached hereto.

Section 2. The City Manager and other officials and representatives of the City are hereby further authorized and directed to take such actions and to execute any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 3. This Resolution shall be effective upon adoption by the Governing Body.

[Remainder of page intentionally left blank; signature page follows.]

**ADOPTED BY THE GOVERNING BODY OF THE CITY OF TONGANOXIE,
KANSAS, AND APPROVED BY THE MAYOR ON APRIL 7, 2025.**

SEAL

David Frese, Mayor

ATTEST:

Lindsay Huntington, City Clerk

EXHIBIT A

Form Utility Easement

[Attached on following pages.]

ORDINANCE NO. 1528

AN ORDINANCE AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT BETWEEN THE CITY OF TONGANOXIE, KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS WATER POLLUTION CONTROL REVOLVING FUND FOR THE PURPOSE OF FINANCING A WASTEWATER TREATMENT PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT.

WHEREAS, the Federal Water Quality Act of 1987 (the "Federal Act") established a revolving fund program for public wastewater treatment systems to assist in financing the costs of infrastructure needed to achieve or maintain compliance with the Federal Act and to protect the public health, and authorized the Environmental Protection Agency ("EPA") to administer a revolving loan program operated by the individual states;

WHEREAS, to fund the state revolving fund program, the EPA will make annual capitalization grants to the states, on the condition that each state provide a state match for such state's revolving fund;

WHEREAS, by passage of the Kansas Water Pollution Control Revolving Fund Act, K.S.A. 65-3321 through 65-3329, inclusive (the "Loan Act"), the State of Kansas (the "State") established the Kansas Water Pollution Control Revolving Fund (the "Revolving Fund") for purposes of the Federal Act;

WHEREAS, under the Loan Act, the Secretary of the Kansas Department of Health and Environment ("KDHE") is given the responsibility to administer and manage the Revolving Fund;

WHEREAS, the Kansas Development Finance Authority (the "Authority") and KDHE entered into a Master Financing Indenture (the "Master Indenture"), pursuant to which KDHE agrees to enter into loan agreements with municipalities for public wastewater treatment projects and to pledge the Loan Repayments (as defined in the Master Indenture) received pursuant to such Loan Agreements to the Authority;

WHEREAS, the Authority is authorized under K.S.A. 74-8905(a) and the Loan Act to issue revenue bonds (the "Bonds") for the purpose of providing funds to implement the State's requirements under the Federal Act and to loan the same, together with available funds from the EPA capitalization grants, to municipalities within the State for the payment of Project Costs (as defined in the Loan Act);

WHEREAS, the City of Tonganoxie, Kansas (the "City") is a municipality, as such term is defined in the Loan Act, which operates a wastewater collection and treatment system (the "System");

WHEREAS, the System is a public Wastewater Treatment Works, as such term is defined in the Loan Act;

WHEREAS, on September 18, 2023, the City passed Resolution No. 09-23-04 to authorize submission of a loan application to KDHE for certain phased improvements to the System consisting of the replacement of aged equipment, enhancement of existing processes, and accommodation of additional near-term demands to allow the System to operate within the current permitted capacity (the "Project");

WHEREAS, the City has, pursuant to the Loan Act, submitted an Application to KDHE to obtain a loan from the Revolving Fund to finance the costs of the Project;

WHEREAS, the City has taken all required steps and complied with the provisions of the Loan Act and K.A.R. 28-16-110 to 28-16-138 (the "Regulations") applicable thereto in order to qualify for the loan;

WHEREAS, KDHE has informed the City that it has been approved for a loan in the amount of not to exceed \$5,000,000 (the "Loan") in order to finance the Project; and

WHEREAS, the Governing Body of the City hereby finds and determines that it is necessary and desirable to accept the Loan and to enter into a loan agreement and certain other documents relating thereto, and to take certain actions required in order to implement the Loan Agreement.

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

SECTION 1. Authorization of Loan Agreement. The City is hereby authorized to accept the Loan and to enter into a certain Loan Agreement, with an effective date of March 10, 2025, with the State acting by and through KDHE (the "Loan Agreement") to finance the Project Costs (as defined in the Loan Agreement). The Mayor and City Clerk are hereby authorized to execute the Loan Agreement in substantially the form presented to the Governing Body this date, with such changes or modifications thereto as may be approved by the Mayor and the City Attorney, the Mayor's execution of the Loan Agreement being conclusive evidence of such approval.

SECTION 2. Establishment of Dedicated Source of Revenue for Repayment of Loan. Pursuant to the Loan Act, the City hereby establishes a dedicated source of revenue for repayment of the Loan. In accordance therewith, the City shall impose and collect such rates, fees and charges for the use and services furnished by or through the System, including all improvements and additions thereto hereafter constructed or acquired by the City as will provide System Revenues or levy ad valorem taxes without limitation as to rate or amount upon all taxable tangible property, real or personal, within the territorial limits of the City to produce amounts that are sufficient to: (a) pay the cost of the operation and maintenance of the System; (b) pay the principal of and interest on the Loan as and when the same become due; and (c) pay all other amounts due at any time under the Loan Agreement; provided, however, that no lien or other security interest is granted by the City to KDHE on the System Revenues under the Loan Agreement. In the event that the System Revenues are insufficient to meet the obligations under the Loan and the Loan

Agreement, the City shall levy ad valorem taxes without limitation as to rate or amount upon all taxable tangible property, real or personal, within the territorial limits of the City to produce the amounts necessary for the prompt payment of the obligations under the Loan and Loan Agreement.

In accordance with the Loan Act, the obligations under the Loan and the Loan Agreement shall not be included within any limitation on the bonded indebtedness of the City.

SECTION 3. Authority. The Mayor, City Clerk and other City officials are hereby further authorized and directed to execute any and all documents and to take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

SECTION 4. Governing Law. This Ordinance and the Loan Agreement shall be governed exclusively by and construed in accordance with applicable laws of the State of Kansas.

SECTION 5. Effective Date. This Ordinance shall take effect and be in force from and after its publication in the official City newspaper.

PASSED by the City Council on April 7, 2025. **APPROVED** by the Mayor.

David Frese, Mayor

ATTEST:

Lindsay Huntington, City Clerk

APPROVED AS TO FORM:

Anna M. Krstulic, City Attorney

LOAN AGREEMENT

Between

**THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT
ACTING ON BEHALF OF
THE STATE OF KANSAS**

AND

**TONGANOXIE, KANSAS
KWPCRF PROJECT NO.: C20 3067 01**

EFFECTIVE AS OF MARCH 10, 2025

The interest of the Kansas Department of Health and Environment ("KDHE") in the Loan Repayments to be made by the Municipality and certain other revenues (the "Revenues") under this Loan Agreement have been pledged and assigned to the Kansas Development Finance Authority (the "Authority") pursuant to a Master Financing Indenture, between KDHE and the Authority. The interest of the Authority in the Revenues has been pledged as security for the payment of the principal of, redemption premium, if any, and interest on the Authority's Kansas SRF Bonds, pursuant to a Master Financing Indenture adopted by the Authority.

LOAN AGREEMENT

Table of Contents

Recitals	1
ARTICLE I - DEFINITIONS	
Section 1.01 Definitions	2
Section 1.02 Rules of Interpretation.....	6
ARTICLE II - LOAN TERMS	
Section 2.01 Amount of the Loan.....	7
Section 2.02 Interest Rate	7
Section 2.03 Disbursement of Loan Proceeds.....	7
Section 2.04 Schedule of Compliance; Completion of Project.....	8
Section 2.05 Repayment of the Loan.....	8
Section 2.06 Additional Payments	9
ARTICLE III - REPRESENTATIONS AND COVENANTS OF MUNICIPALITY	
Section 3.01 Representations of the Municipality	9
Section 3.02 Particular Covenants of the Municipality	11
Section 3.03 Federal Tax Compliance Representations and Covenants.....	15
ARTICLE IV - ASSIGNMENT	
Section 4.01 Assignment and transfer by KDHE	16
Section 4.02 Assignment by the Municipality	16
ARTICLE V - EVENTS OF DEFAULT AND REMEDIES	
Section 5.01 Notice of Default	16
Section 5.02 Remedies on Default	17
Section 5.03 Expenses	17
Section 5.04 Application of Moneys.....	17
Section 5.05 No Remedy Exclusive; Waiver; Notice.....	17
Section 5.06 Retention of Rights	18
Section 5.07 Financial and Management.....	18

ARTICLE VI – MISCELLANEOUS

Section 6.01 Notices	18
Section 6.02 Binding Effect.....	19
Section 6.03 Severability	19
Section 6.04 Amendments, Supplements and Modifications	19
Section 6.05 Execution in Counterparts.....	19
Section 6.06 Governing Law and Regulations	19
Section 6.07 Consents and Approvals	19
Section 6.08 Further Assurances.....	19
Signatures and Seal	20
Exhibit A - Description of the Project	21
Exhibit B - Dedicated Source of Revenues and Loan Repayment Schedule.....	22
Exhibit C - Conditions Applicable to Construction of the Project	24
Exhibit D - Use of Loan Proceeds	30
Exhibit E - Instructions for Requesting Disbursements	31
Exhibit F - Form of Municipality Ordinance	33
Exhibit G- Form of Opinion of Municipality's Counsel	38
Exhibit H- Municipality's Notice Address	40
Exhibit I - Borrower Sample Annual Compliance Checklist	41

KANSAS WATER POLLUTION CONTROL REVOLVING FUND LOAN AGREEMENT

THIS LOAN AGREEMENT, effective as of March 10, 2025, by and between the KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT ("KDHE"), acting on behalf of THE STATE OF KANSAS (the "State"), and the CITY OF TONGANOXIE, KANSAS, a "Municipality" according to K.S.A. 65-3321 hereinafter referenced as the "Municipality";

WITNESSETH:

WHEREAS, the Federal Water Quality Act of 1987 (the "Federal Act") established a state revolving fund program as a means to phase-out the Environmental Protection Agency (EPA) construction grants program and replace it with a revolving loan program operated by the individual states; and

WHEREAS, to fund the state revolving fund program, the EPA will make annual capitalization grants to the states (CFDA 66.458), on the condition that each state provide a state match for such state's revolving fund; and

WHEREAS, by passage of the Kansas Water Pollution Control Revolving Fund Act, K.S.A. 65-3321 through 65-3329, inclusive (the "Loan Act"), the State of Kansas (the "State") has established the Kansas Water Pollution Control Revolving Fund (the "Revolving Fund") for purposes of the Federal Act; and

WHEREAS, under the Loan Act, the Secretary (the "Secretary") of the Kansas Department of Health and Environment ("KDHE") is given the responsibility for administration and management of the Revolving Fund; and

WHEREAS, the Secretary, the Kansas Department of Administration, Division of Accounts and Reports ("the DOA"), and the Kansas Development Finance Authority (the "Authority") have entered into an Inter-Agency Agreement effective December 23, 1999, (the "Inter-Agency Agreement"), to define the cooperative relationship between KDHE, DOA, and the Authority, to jointly administer certain provisions of the Loan Act; and

WHEREAS, the Authority and KDHE have supplemented the Inter-Agency Agreement by entering into a Master Financing Indenture, as the same has been amended and may be further amended and supplemented from time to time, (jointly the "Master Indenture"), pursuant to which KDHE agrees to enter into Loan Agreements with Municipalities (as defined in the Loan Act) for Wastewater Treatment Projects (the "Projects") and to pledge the Loan Repayments received pursuant to such Loan Agreements and certain other revenues to the Authority; and

WHEREAS, the Authority is authorized under K.S.A. 74-8905(a) and the Loan Act to issue revenue bonds (the "Bonds") for the purpose of providing funds to implement the State's requirements under the Federal Act and to loan the same, together with available funds from the EPA capitalization grants, to Municipalities within the State for the payment of Project Costs (as said terms are defined in the Loan Act);

WHEREAS, the Municipality has made timely application to KDHE for a Loan to finance all or a portion of the Project Costs; and

WHEREAS, KDHE has approved the Municipality's application for a Loan, subject to the receipt of capitalization grants from the EPA pursuant to the Federal Act and proceeds of the Bonds when issued by the Authority; and

NOW, THEREFORE, for and in consideration of the award of the Loan by KDHE, the Municipality agrees to complete its Project and to perform under this Loan Agreement in accordance with the conditions, covenants and procedures set forth herein and attached hereto as a part hereof, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise or as otherwise defined in the Master Resolution, have the following meanings:

"Act" means the Constitution and laws of the State, including particularly the Loan Act and K.S.A. 74-8905(a), as amended and supplemented.

"Additional Payments" means the payments described in **Section 2.06** hereof.

"Additional Revenue Obligations" means any obligation for the payment of money undertaken by the Municipality which is payable from or secured by a pledge of, or lien upon, the System Revenues incurred after the date of execution and delivery of this Loan Agreement, and all Existing Revenue Obligations.

"Annual Compliance Checklist" means a questionnaire and/or checklist designed to ensure compliance with the requirements related to the use of proceeds of this Loan Agreement, the use of the Financed Facility and the investment of gross proceeds of this Loan Agreement that is completed each year by the Municipality initially in the form set forth in **Exhibit I**.

"Authority" means the Kansas Development Finance Authority, a public body politic and corporate and an instrumentality of the State, and its successors and assigns.

"Authorized Municipality Representative" means any person authorized pursuant to a resolution of the governing body of the Municipality to perform any act or execute any document relating to the Loan, or this Loan Agreement.

"Bonds" means the Kansas Development Finance Authority, Kansas Revolving Funds Revenue Bonds, issued in one or more series pursuant to the Master Indenture, and supplements thereto.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations thereunder promulgated by the Department of the Treasury.

"Continuing Disclosure Undertaking" means, with respect to any series of Bonds, the undertaking or agreement by KDHE and any other parties thereto with respect to continuing disclosure matters within the scope of the SEC Rule.

"Dedicated Source of Revenue" shall have the meaning ascribed thereto in *Exhibit B* attached hereto.

"EPA" means the Environmental Protection Agency of the United States, its successors and assigns.

"Event of Default" means any occurrence of the following events:

(a) failure by the Municipality to pay, or cause to be paid, any Loan Repayment required to be paid hereunder when due;

(b) failure by the Municipality to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a) of this Section, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Municipality by KDHE, unless KDHE shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in such notice is correctable but cannot be corrected within the applicable period KDHE may not unreasonably withhold its consent to an extension of such time up to 90 days from the delivery of the written notice referred to above if corrective action is instituted by the Municipality within the applicable period and diligently pursued until the Event of Default is corrected;

(c) failure by the KDHE to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Agreement which shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to KDHE by the Municipality, unless the Municipality shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in such notice is correctable but cannot be corrected within the applicable period the Municipality may not unreasonably withhold its consent to an extension of such time up to 90 days from the delivery of the written notice referred to above if corrective action is instituted by KDHE within the applicable period and diligently pursued until the Event of Default is corrected;

(d) any representation made by or on behalf of the Municipality contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement or the Loan, is intentionally false or misleading in any material respect;

(e) any representation made by or on behalf of KDHE contained in this Agreement, or in any instrument furnished in compliance with or with reference to this Agreement, is intentionally false or misleading in any material respect;

(f) a petition is filed by or against the Municipality under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Municipality, such petition shall be dismissed within thirty (30) days after such filing and such dismissal shall be final and not subject to appeal;

(g) the Municipality shall generally fail to pay its debts as such debts become due;

(h) failure of KDHE to promptly pay any Project Costs when reasonably requested to do so by the Municipality pursuant to **Section 2.03** hereof.

“Existing Revenue Obligation” means any obligation for the payment of money undertaken by the Municipality, which is payable from or secured, by a pledge of, or lien upon, the System Revenues existing or outstanding at the time of execution and delivery of this Loan Agreement by the Municipality.

“Federal Act” means the Federal Water Quality Act of 1987, as amended.

“Federal Tax Regulations” means all regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Bonds.

“Financed Facility” means the portion of the Project consisting of property financed or refinanced with the proceeds of this Loan Agreement as described herein.

“GAAP” means generally accepted accounting principles as applicable to municipal utility systems.

“Indebtedness” means any financial obligation of the Municipality evidenced by an instrument executed by the Municipality, including this Loan, Existing Revenue Obligations, Additional Revenue Obligations, general obligation bonds or notes, lease or lease-purchase agreement or similar financial transactions.

“Indenture” means collectively the Master Financing Indenture, dated as of November 1, 2010, among the Authority, KDHE and the trustee named therein, and any supplemental indentures executed from time to time by the Authority, KDHE and the trustee named therein, in accordance with the provisions of the Master Financing Indenture.

“KDHE” means the Kansas Department of Health and Environment or its successors in interest.

“Loan Act” means the Constitution and laws of the State of Kansas, including particularly K.S.A. 65-3321 through 65-3329, inclusive, as amended and supplemented.

“Loan Agreement” means this Loan Agreement, including the Exhibits attached hereto, as it may be supplemented, modified or amended from time to time in accordance with the terms hereof.

“Loan Repayments” means the payments payable by the Municipality pursuant to **Section 2.05** of this Loan Agreement.

“Loan Terms” means the terms of this Loan Agreement provided in **Article II** hereof.

“Management or Operating Agreement” means a legal agreement with a Non-Qualified User where the Non-Qualified User provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the entire Financed Facility or a portion of the Financed Facility. However, a contract for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing or similar services) is not a Management or Operating Agreement.

“Master Indenture” means the Master Financing Indenture adopted by the Board of Directors of the Authority, as amended and supplemented from time to time by Supplemental Resolutions.

“Municipality” means Tonganoxie, Kansas, its successors and assigns.

“Non-Qualified Use” generally means any use of the Financed Facility in a trade or business carried on by any Non-Qualified User that is different in form or substance to the use made of the Financed Facility by any other member of the general public. The rules set out in Federal Tax Regulations § 1.141-3 determine whether the Financed Facility is “used” in a trade or business. Generally, ownership, a lease, a Management or Operating Agreement or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Federal Tax Regulations § 1.141-3.

“Non-Qualified User” means any person or entity other than a Qualified User.

“Opinion of Bond Counsel” means the written opinion of a firm of nationally recognized Bond Counsel acceptable to the Authority to the effect that the proposed action or the failure to act will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

“Qualified User” means the City, a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

“Project” means the acquisition, construction, improvement, repair, rehabilitation or extension of the System described in **Exhibit A** hereto, which constitutes a project pursuant to the Loan Act for which KDHE is making a Loan to the Municipality pursuant to this Loan Agreement.

“Project Costs” means all costs or expenses which are necessary or incident to the Project and which are directly attributable thereto, including, but not limited to: (a) costs of any Loan reserves; (b) interest on the Loan during the construction of the Project; (c) financing and administrative costs associated with the Loan Agreement; and (d) subject to the approval of Bond Counsel and the Authority, payment of temporary financing obligations issued by the Municipality to pay Project Costs;

“Regulations” means Kansas Administrative Regulations (K.A.R.) 28-16-110 to 28-16-138, and any amendments thereto promulgated by KDHE pursuant to the Loan Act.

“Revolving Fund” means the Kansas Water Pollution Control Revolving Fund established by the Loan Act.

“SEC Rule” means Rule 15c2-12 adopted by the Securities and Exchange Council under the Securities Exchange Act of 1934, as may be amended from time to time or such other similar rule regarding disclosure of information in securities transactions.

“Secretary” means the Secretary of KDHE

“State” means the State of Kansas, acting, unless otherwise specifically indicated, by and through KDHE, and its successors and assigns.

“System” means wastewater collection and treatment system of the Municipality, as the same may be modified or enlarged from time to time, including the Project described in **Exhibit A**, for which the Municipality is making the borrowing under this Loan Agreement, which constitutes or includes a Wastewater Treatment System.

“System Revenues” means all revenues derived by the Municipality from the ownership and operation of the System.

“Wastewater Treatment System” means any Wastewater Treatment Works, as defined in the Federal Act, that is publicly owned, and as further described in the Regulations.

Section 1.02. Rules of Interpretation.

- (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.
- (b) Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.
- (c) All references in this Loan Agreement to designated “Articles,” “Sections” and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this Loan Agreement as originally executed. The words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Loan Agreement as a whole and not to any particular Article, Section or other subdivision.

- (d) The Table of Contents and the Article and Section headings of this Loan Agreement shall not be treated as a part of this Loan Agreement or as affecting the true meaning of the provisions hereof.

ARTICLE II

LOAN TERMS

Section 2.01. Amount of the Loan. Subject to all of the terms, provisions and conditions of this Loan Agreement, and subject to the availability of State and Federal funds and proceeds of Bonds, KDHE will loan an amount not to exceed \$5,000,000 to the Municipality to pay all or a portion of Project Costs described in **Exhibit A** hereto. The final actual amount of the Loan may be reduced without revision of any other terms, provisions or conditions of this Loan Agreement, other than the Loan Repayment Schedule (**Exhibit B** hereto), to reflect reductions in the estimated or actual total Project Costs as impacted by opening of bids for construction, change orders, final actual costs, and prepayments. The Municipality shall be responsible for any costs incurred by the Municipality in connection with the Project in addition to the amount of the Loan. Any amendment to **Exhibit B** shall be effected by written amendment to the Loan Agreement executed by all parties.

Section 2.02. Interest Rate. The gross interest rate on the loan shall be 2.48% per annum, which shall be assessed on the unpaid principal balance to be paid as set out in the Loan Repayment Schedule, **Exhibit B** hereto. This gross interest rate consists of a net loan interest rate, and a service fee, as described in **Exhibit B**.

Section 2.03. Disbursement of Loan Proceeds.

(a) Subject to the conditions described in this Section, KDHE agrees to disburse the proceeds of the Loan during the progress of the Project for Project Costs. Requests for disbursement may be submitted by the Municipality (in substantially the form attached hereto as **Exhibit E**), not more than once per month, in accordance with the procedures set forth by KDHE. Any request for disbursement must be supported by proper invoices and a certificate of the Authorized Municipality Representative to the effect that all representations made in this Loan Agreement remain true as of the date of the request and, based upon that information then available to such person, no adverse developments affecting the financial condition of the Municipality or its ability to complete the Project or to repay the Loan have occurred.

The Municipality may request disbursement for the following Project Costs:

- (1) any eligible planning/design costs incurred prior to execution of this Loan Agreement;
- (2) disbursement for eligible Project Costs if such Project Costs have been incurred and are due and payable to Project contractors (actual payment of such Project Costs by the Municipality is not required as a condition of the payment request); or

(3) interest becoming due on the Loan prior to the initial scheduled payment of principal; and

(4) the principal of and interest on any temporary financing obligations issued by the Municipality to pay Project Costs.

(b) KDHE shall not be under any obligation to disburse any Loan proceeds to the Municipality under this Loan Agreement unless:

(1) there are moneys available in the Revolving Fund to fund the Loan, as determined solely by KDHE;

(2) the Municipality shall certify to KDHE that it has executed a Project contract or contracts and has funds available to pay for that portion of the Project Costs not eligible (pursuant to the Loan Act or the Federal Act) to be funded under this Loan Agreement, if any;

(3) no Event of Default by the Municipality shall have occurred and be continuing; and

(4) the Municipality continues to maintain reasonable progress towards completion of the Project.

Section 2.04. Schedule of Compliance; Completion of Project.

(a) The Municipality agrees to complete the Project in accordance with the Conditions Applicable to Construction of the Project set forth in **Exhibit C** attached hereto.

(b) The completion of the construction of the Project shall be evidenced to KDHE by a certificate signed by the Authorized Municipality Representative stating: (1) that the construction of the Project has been completed in accordance with the plans and specifications therefore; and (2) that all Project Costs have been paid, except Project Costs the payment of which is not yet due or is being retained or contested in good faith by the Municipality. Such certificate shall be given not later than the date established by KDHE, which shall be approximately the date that the Project is capable of being placed into operation by the Municipality. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 2.05. Repayment of the Loan.

(a) *Loan Repayments.* The Municipality shall pay to KDHE, on or before the due dates, installments of principal and interest on the Loan in accordance with *Exhibit B* attached hereto, until the Loan has been paid in full. Installments of principal and interest on the Loan shall be computed and paid in accordance with the Loan Repayment Schedule on *Exhibit B* as in effect at any time under this Loan Agreement. Notwithstanding any other provision of this Loan Agreement, the first payment of principal and interest due on the Loan shall be made no more than one year after project initiation of operation. The final installment of principal under the Loan shall be fully repaid not later than 21 years after Project completion.

(b) *Prepayment of the Loan.* The Municipality may prepay the outstanding principal of the Loan, in whole, or in part, without penalty, if consent from KDHE is obtained. The municipality must provide a written request to KDHE of its desire to prepay, such request shall indicate the actual source of funds that will be used to make the prepayment (specifically proceeds from a tax exempt bond issue, proceeds from a taxable bond issue, cash on hand, or some other instrument) and the desired date of prepayment. KDHE may require the prepayment date coincide with a scheduled repayment date. A partial prepayment may be made only if the prepayment amount is the greater of 10% of the original principal amount of the Loan or \$50,000. A new **Exhibit B** will be prepared by KDHE following receipt of any acceptable partial prepayment, reamortizing the remaining principal amount over the remaining term of the Loan.

Section 2.06. Additional Payments. The Municipality shall pay as Additional Payments the following amounts:

(a) Any amounts required to be paid by the Authority to the United States of America as arbitrage rebate, arising due to the Municipality's failure to expend proceeds of the Loan at the times certified to KDHE by the Municipality, that result in arbitrage rebate liability for the Authority, but only to the extent that the funds in the Rebate Fund established by the Master Resolution are insufficient to make such payments; and.

(b) All other payments of whatever nature which the Municipality has agreed to pay or assume hereunder.

ARTICLE III

REPRESENTATIONS AND COVENANTS OF MUNICIPALITY

Section 3.01. Representations of the Municipality. The Municipality makes the following representations:

(a) ***Organization and Authority.***

(1) The Municipality is a municipal corporation duly created and validly existing under and pursuant to the constitution and statutes of the State.

(2) The Municipality has full legal right and authority and all necessary licenses and permits required as of the date hereof to own, operate and maintain its System, to carry on its activities relating thereto, to execute and deliver this Loan Agreement, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Loan Agreement.

(3) The Ordinance (adopted substantially in the form attached hereto as **Exhibit F**) and other proceedings of the Municipality's governing body approving this Loan Agreement and

authorizing its execution, issuance and delivery on behalf of the Municipality, and authorizing the Municipality to undertake and complete the Project have been duly and lawfully adopted.

(4) This Loan Agreement has been duly authorized, executed and delivered on behalf of the Municipality, and, constitutes the legal, valid and binding obligation of the Municipality enforceable in accordance with its terms.

(b) **Full Disclosure.** To the best knowledge of the Municipality, there is no fact that the Municipality has not disclosed to KDHE in writing on the Municipality's application for the Loan or otherwise that materially adversely affects or that will materially adversely affect the properties, activities, or its System, or the ability of the Municipality to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreement under this Loan Agreement.

(c) **Non-Litigation.** There is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way: (1) the legal organization of the Municipality; (2) its boundaries; (3) the right or title of any of its officers to their respective offices; (4) the legality of any official act taken in connection with obtaining the Loan; (5) the constitutionality or validity of the indebtedness represented by the Loan Agreement; (6) any of the proceedings had in relation to the authorization or execution of this Loan Agreement; (7) the collection of revenues of the System; (8) the levy and collection of unlimited *ad valorem* taxes to pay the principal of and interest on the Loan; or (9) the ability of the Municipality to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(d) **Compliance with Existing Laws and Agreements.** To the best knowledge of the Municipality, the authorization, execution and delivery of this Loan Agreement by the Municipality, and the performance by the Municipality of its duties, covenants, obligations and agreements thereunder will not result in any breach of any existing law or agreement to which the Municipality is a party.

(e) **No Defaults.** No event has occurred and no condition exists that would constitute an Event of Default. The Municipality is not presently aware of any violation of any agreement, which would materially adversely affect the ability of the Municipality to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(f) **Compliance with Law.** The Municipality has, to the best of the Authorized Municipality's Representative's knowledge:

(1) complied with all laws, ordinances, governmental rules and regulations to which it is subject, including, without limitation, any public hearing or public notice requirements or environmental review requirements contained in the Loan Act, the Regulations and the Federal Act, the failure to comply with which would materially adversely affect the ability of the Municipality to conduct its activities, enter into this Loan Agreement or undertake or complete the Project; and

(2) obtained all licenses, permits, franchises or other governmental authorizations presently necessary for the ownership of its property which, if not obtained, would materially adversely affect the ability of the Municipality to complete the Project or operate the Project.

(g) **Use of Loan Proceeds.** The Municipality will apply the proceeds of the Loan as described in **Exhibit D**: (1) to finance or refinance a portion of the Project Cost; and (2) where applicable, to reimburse the Municipality for a portion of the Project Costs, which portion was paid or incurred in anticipation of reimbursement by KDHE and is eligible for such reimbursement pursuant to the Regulations and the Code.

(h) **Project Costs.** The Municipality certifies that the Project Costs, as listed in **Exhibit D**, is a reasonable and accurate estimation and, upon direction of KDHE, will supply the same with a certificate from its engineer stating that such Costs are reasonable and accurate estimations, taking into account investment income to be realized during the course of construction of the Project, if any, and other lawfully available money that would, absent the Loan, have been used to pay the Project Costs.

Section 3.02. Particular Covenants of the Municipality.

(a) **Dedicated Source of Revenue for Repayment of the Loan.** The Municipality hereby establishes the Dedicated Source of Revenue described on **Exhibit B** attached hereto, which Dedicated Source of Revenue is hereby pledged to the Loan Repayments, Additional Payments and all other obligations of the Municipality under this Loan Agreement.

(b) **Performance Under Loan Agreement.** The Municipality covenants and agrees in the performance of its obligations under this Loan Agreement:

(1) to comply with all applicable State and federal laws, rules and regulations (including, but not limited to the conditions set forth in **Exhibit C** hereto) as are applicable to this Loan Agreement; and

(2) to cooperate with KDHE in the observance and performance of the respective duties, covenants, obligations and agreements of the Municipality and KDHE under this Loan Agreement (including, without limitation the requirements contained in **Exhibit C** hereto).

(c) **Completion of Project and Provision of Moneys Therefore.** The Municipality covenants and agrees:

(1) to exercise its best efforts in accordance with prudent utility practice to complete the Project and to so accomplish such completion on or before the estimated Project completion date set forth in **Exhibit C** hereto; and

(2) to provide, from its own financial resources, all moneys, in excess of the total amount of proceeds it receives under the Loan, required to complete the Project.

(d) **Delivery of Documents and Payment of Fees.** Concurrently with the delivery of this Loan Agreement and the closing of the Loan, the Municipality will cause to be delivered to KDHE:

(1) fully executed counterparts of this Loan Agreement;

(2) copies of the ordinance of the governing body of the Municipality authorizing the execution and delivery of this Loan Agreement, certified by an Authorized Municipality Representative, which shall be in substantially the form attached hereto as **Exhibit F** together with an affidavit of publication thereof in the official newspaper of the Municipality;

(3) an opinion of the Municipality's counsel substantially in the form set forth in **Exhibit G** attached hereto;

(4) such other certificates, documents, opinions and information as KDHE may reasonably require.

(e) **Operation and Maintenance of System.** The Municipality covenants and agrees that it shall, in accordance with prudent wastewater treatment utility practice:

(1) at all times operate the properties of its System in an efficient manner in accordance with applicable laws and regulations;

(2) maintain its System, making all necessary and proper repairs, renewals, replacements, additions, betterments and improvements necessary to maintain its System in good repair, working order and operating condition;

(3) implement any modification of the rates fees and charges for use of the System that comprise the Dedicated Source of Revenues as the Secretary may require to ensure repayment of the Loan in accordance with the provisions of the Loan Act; and

(4) take such other action as the Secretary may require in accordance with powers granted to the Secretary under the Loan Act and the Regulations.

(f) **Disposition of System.** The Municipality shall not sell, lease or otherwise transfer ownership of all or substantially all of its System without the consent of the Secretary. In no event shall the Municipality sell, abandon or otherwise transfer ownership of the System to any person or entity other than a city, county, township, sewer district, improvement district, or other political subdivision of the State, or any combination thereof, that has legal responsibility to treat wastewater. The Municipality shall provide the Secretary with ninety (90) days' prior written notice to KDHE of such sale, lease or transfer. No such sale, lease or transfer shall be effective unless compliance is with the provisions of *Section 4.02* hereof, assuming such sale, lease or transfer is deemed to be an assignment for the purposes of such Section. The provisions of this paragraph shall not be construed to prohibit the lease of portions of the System by the Municipality in connection with a lease-purchase transaction to finance improvements to the System; provided that a termination or an event of default by the Municipality under such arrangement shall not have a material adverse effect on the Municipality's Dedicated Source of Revenues.

(g) **Records and Accounts**

(1) The Municipality shall keep accurate records and accounts for its System (the "System Records"), separate and distinct from its other records and accounts (the "General Accounts"). Such System Records shall be audited annually in accordance with generally accepted auditing standards if the total Disbursement of Loan Proceeds exceed \$25,000 for the Municipalities fiscal year. This audit shall be completed by an independent certified public accountant or firm of independent certified public accountants, or by an independent registered municipal accountant, and may be part of the single agency audit made on the Municipality's General Accounts in accordance with the Federal Single Audit Act of 1984, OMB Circular No. A-133, **Audits of States, Local Governments, and Non-Profit Organizations** as amended in 1996 and 2003 and as may be further amended and revised. Such System Records and General Accounts shall be made available for inspection by KDHE at any reasonable time, and a copy of the Municipality's annual audit, including all written comments and recommendations of such accountant, shall be furnished to KDHE within 270 days of the close of the Municipal Fiscal Year being so audited.

(2) The Municipality shall maintain Project accounts in accordance with generally accepted government accounting standards including standards relating to the reporting of infrastructure assets.

(h) **Inspections.** The Municipality shall permit the EPA, KDHE and any party designated by KDHE to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, including the System Records and General Accounts, and shall supply such reports and information as the EPA and KDHE may reasonably require in connection therewith.

(i) **Financial Information.**

(1) Obligation to Provide Information if Notified by KDHE. The Municipality agrees to provide to KDHE such annual financial information and operating data, together with ongoing notice of the occurrence of any "material event" (defined below), each with respect to the Municipality, as is necessary for KDHE to comply with each Continuing Disclosure Undertaking from time to time in effect. Such information, data and notices pursuant to this section will be required to be provided by the Municipality upon notice from KDHE that the Municipality is a Principal Participating Municipality (which is a borrower for which information and notices are required to be filed pursuant to a Continuing Disclosure Undertaking), as defined in a Continuing Disclosure Undertaking.

(2) Timing. Any such financial information and operating data shall be provided by the Municipality to KDHE as soon as practicable after it is available, and any such notice of a material event shall be provided by the Municipality to KDHE promptly following the occurrence of the event. Existing Continuing Disclosure Undertakings require that any such financial information and operating data shall be filed by KDHE within 270 days after the end of the Municipal Fiscal

Year, as defined in a Continuing Disclosure Undertaking, and that any such notice of a material event be filed by KDHE within 10 business days of the occurrence of the material event. The timing of such requirements may be different in a future Continuing Disclosure Undertaking, and a request by KDHE to the Municipality pursuant to this section may require that such information be provided to KDHE a reasonable period in advance of the filing dates required by a Continuing Disclosure Undertaking.

(3) Annual Information. Any such financial information shall be accompanied by an audit report prepared in accordance with the provisions of subsection (g)(2) hereof, unless such subsection exempts the Municipality from such audit report requirement. The financial information shall be prepared in accordance with GAAP, unless the Municipality has received a waiver from such requirement as permitted by State Law, in which case it shall be prepared on such other basis of accounting that demonstrates compliance with State law. Such requirement for financial information and operating data may be satisfied by submitting the Municipality's annual comprehensive financial report (ACFR) and/or annual report of its System (if System revenues are included in the dedicated source of repayment), unless KDHE notifies the Municipality of the need for additional information. If an audit report is required to be prepared, but is not available within 270 days of the end of the Municipal Fiscal Year, un-audited financial information shall be provided to KDHE pending receipt of the audit report. If the method of preparation and the basis of accounting is changed to a basis less comprehensive than previously described, the Municipality shall provide a specific notice of such change to KDHE when the financial information is provided.

(4) Event Notices. For purposes of this section, "material event" shall mean any event with respect to the Municipality (if it is a Principal Participating Municipality) required to be reported by KDHE pursuant to a Continuing Disclosure Undertaking. Upon a determination by KDHE that the Municipality is a Principal Participating Municipality, KDHE will provide instructions to the Municipality identifying such events then required to be reported, and the Municipality agrees to report such events to the extent required by a Continuing Disclosure Undertaking. The existing Continuing Disclosure Undertakings require reporting by a Principal Participating Municipality of four events, relating generally to (i) bankruptcy or insolvency, (ii) merger, consolidation or acquisition, (iii) incurrence of a financial obligation or debt and (iv) default, acceleration, termination or modification of a financial obligation or debt.

(j) **Insurance.** The Municipality will carry and maintain such reasonable amount of all-risk insurance on all properties and all operations of its System as would be carried by similar municipal operators of Systems, insofar as the properties are of an insurable nature. The Municipality also will carry general liability insurance in amounts not less than the maximum liability of a governmental entity for claims arising out of a single occurrence, as provided by the Kansas Tort Claims Act, K.S.A. 75-6101 *et seq.*, or other similar future law (currently \$500,000 per occurrence).

(k) **Notice of Material Adverse Change.** The Municipality shall promptly notify KDHE of any material adverse change in the activities, prospects or condition (financial or otherwise) of the System, or in the ability of the Municipality to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(l) ***Additional Covenants and Requirements.*** The parties hereto acknowledge that this Loan Agreement may be assigned or pledged to secure financings of the Authority. Should it be necessary to modify any covenants or obtain or enhance the security of the financings, the parties agree to take all reasonable actions and make reasonable covenants and agreements necessary to accomplish such purpose to the extent permitted by applicable laws.

Section 3.03 Federal Tax Compliance Representations and Covenants.

(a) The Municipality is the owner of the Financed Facility. As long as any portion of this Loan Agreement is unpaid, the Municipality will not dispose of any portion of the Financed Facility without first notifying the Authority and KDHE in writing and the Authority and KDHE obtaining favorable advice of Bond Counsel.

(b) As long as any portion of this Loan Agreement is unpaid, the Municipality will never permit any of the Financed Facility to be used in any Non-Qualified Use without first notifying the Authority and KDHE in writing and the Authority and KDHE obtaining favorable advice of Bond Counsel. In furtherance of this covenant, the Municipality will not enter into any Management or Operating Agreement of the Financed Facility or lease any portion of the Financed Facility to any Non-Qualified User or provide any Non-Qualified User with a special legal right or entitlement to use the Financed Facility without first notifying the Authority and KDHE in writing and the Authority and KDHE obtaining favorable advice of Bond Counsel.

(c) None of the proceeds of this Loan Agreement will be loaned directly or indirectly to any Non-Qualified User.

(d) All costs previously paid by the Municipality that are to be reimbursed from the proceeds of this Loan Agreement either (1) were paid by the Municipality after the date the Municipality filed its application with KDHE and not more than 3 years prior to the date reimbursement is requested or (2) were for costs incurred in connection with the planning or design of the Project paid prior to the date construction commenced.

(e) The Municipality will not take any action or permit any action to be taken which would cause this Loan Agreement to be "federally guaranteed" within the meaning of Code § 149.

(f) No operating costs or expenses of the Municipality are being paid from the proceeds of this Loan Agreement.

(g) Upon the written request of the Authority or KDHE, the Municipality will provide written confirmation of compliance with the federal tax requirements through use of an Annual Compliance Checklist in a form acceptable to the Authority and KDHE. A sample Annual Compliance Checklist is attached to this Loan Agreement as **Exhibit I**.

ARTICLE IV

ASSIGNMENT

Section 4.01. Assignment and Transfer by KDHE. The Municipality hereby approves and consents to any assignment or transfer of this Loan Agreement that KDHE deems necessary in connection with the operation and administration of the Revolving Fund. The Municipality hereby specifically approves the assignment and pledging of the Loan Repayments and Additional Payments to the Authority, and the Authority's pledging of all or a portion of the same to the Bonds.

Section 4.02. Assignment by the Municipality. This Loan Agreement may not be assigned by the Municipality for any reason, unless the following conditions shall be satisfied:

- (a) KDHE and the Authority shall have approved said assignment in writing;
- (b) the assignee is a city, county, township, sewer district, improvement district or other political subdivision of the State or any combination thereof that has legal responsibility to treat wastewater;
- (c) the assignee shall have expressly assumed in writing the full and faithful observance and performance of the Municipality's duties, covenants, and obligations under this Loan Agreement; provided, however, such assignment shall not relieve the Municipality of its duties, covenants, and obligations under this Loan Agreement;
- (d) the assignment will not adversely impact KDHE's ability to meet its duties, covenants and obligations to the Authority under the Master Indenture, nor may the sale endanger the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and
- (e) the Municipality shall, at its expense, provide KDHE and the Authority with an opinion of a qualified attorney that each of the conditions set forth in *subparagraphs (b), (c), and (d)* hereof have been met.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.01. Notice of Default. If an Event of Default shall occur, the non-defaulting party shall give the party in default and the Authority prompt telephonic notice of the occurrence of such Event of Default, provided the non-defaulting party has knowledge of such Event of Default. Such telephonic notice shall be immediately followed by written notice of such Event of Default given in the manner set forth in **Section 6.01** hereof.

Section 5.02. Remedies on Default.

(a) Whenever an Event of Default shall have occurred and be continuing, KDHE or the Municipality shall have the right to take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and to become due or to enforce the performance and observance of any obligation or agreement of KDHE or the Municipality (including, without limitation, withholding remaining Loan disbursements, cancellation of the Loan Agreement and acceleration of the remaining scheduled principal payments set forth on **Exhibit B**, or such other remedies provided to the Secretary in the Loan Act and the Regulations.

(b) Upon the occurrence of an Event of Default on the part of KDHE, and to the extent permitted by law and availability of appropriated funds by the Kansas Legislature, KDHE shall, on demand, pay to the Municipality the reasonable fees and expenses incurred by the Municipality in the enforcement of performance or observation of any other duties, covenants, obligations or agreements of KDHE contained herein. Prior to incurring any such expenses, the Municipality shall provide written notice to KDHE that it intends to incur such expenses; provided, however, a failure by the Municipality to give such notice shall not affect the Municipality's right to receive payment for such expenses. Upon request by KDHE, the Municipality shall provide copies of statements evidencing the fees and expenses for which the Municipality is requesting payment.

Section 5.03. Expenses. Upon the occurrence of an Event of Default on the part of the Municipality, and to the extent permitted by law, the Municipality shall, on demand, pay to KDHE the reasonable fees and expenses incurred by KDHE in the collection of Loan Repayments or any other sum due hereunder or in the enforcement of performance or observation of any other duties, covenants, obligations or agreements of the Municipality contained herein. Prior to incurring any such expenses, KDHE shall provide written notice to the Municipality that it intends to incur such expenses; provided, however, a failure by KDHE to give such notice shall not affect KDHE's right to receive payment for such expenses. Upon request by the Municipality, KDHE shall provide copies of statements evidencing the fees and expenses for which KDHE is requesting payment.

Section 5.04. Application of Moneys. Any moneys collected by KDHE pursuant to **Section 5.02** hereof shall be applied: (a) first, to pay interest on the Loan as the same becomes due and payable; (b) second, to pay principal due and payable on the Loan; (c) third, to pay expenses owed by the Municipality pursuant to **Section 5.03** hereof; and (d) fourth, to pay any other amounts due and payable hereunder as such amounts become due and payable.

Section 5.05. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the Parties hereto is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. The parties hereto, in good faith, shall exercise such remedies with due diligence in a timely manner, however, no delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the parties hereto to exercise any remedy reserved to them in this **Article V**, it shall not be necessary to give any notice, other than such notice as may be required in this **Article V**.

Section 5.06. Retention of Rights. Notwithstanding any assignment or transfer of this Loan Agreement pursuant to the provisions hereof, or anything else to the contrary contained herein, the parties hereto shall have the right upon the occurrence of an Event of Default to take any action, including (without limitation) bringing an action against the defaulting party at law or in equity, as such party may, in its discretion, deem necessary to enforce the obligations of the defaulting party pursuant to this Loan Agreement.

Section 5.07. Financial and Management. Upon failure of the Municipality to pay one or more installments of the Loan Repayments in a timely manner, or in the event that the Secretary deems it advisable or necessary, the Secretary, after consultation with the governing body of the Municipality, may require the Municipality to undergo a financial and management operations review. The governing body shall correct any deficiencies noted during such review and adopt charges or surcharges as may be required by the Secretary during the term of this Loan Agreement.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when: (a) hand delivered; (b) mailed by registered or certified United States mail, postage prepaid; or (c) via telefax, with confirmation in the manner set forth in *subsection (b)*, to the parties hereinafter set forth at the following addresses:

(1) to KDHE:

Department of Health and
Environment
1000 SW Jackson Street, Suite 420
Topeka, Kansas 66612-1367
Attention: Bureau of Water

with a copy to its General Counsel

(2) to the Authority:

Kansas Development Finance
Authority
534 South Kansas Avenue, Suite 800
Topeka, Kansas 66603
Attention: President,

with a copy to its General Counsel

(3) to the Municipality:

at the address set forth on ***Exhibit H***.

All notices given by telefax as aforesaid shall be deemed given as of the date of evidence of receipt thereof by the recipient. All notices given by registered or certified mail as aforesaid shall be deemed duly given as of the date they are so deposited in the United States Postal Service, if postage is prepaid. Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, by notice in writing given to the others.

Section 6.02. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon KDHE and the Municipality and their respective successors and assigns.

Section 6.03. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 6.04. Amendments, Supplements and Modifications. This Loan Agreement may not be amended, supplemented or modified without the prior written consent of the Authority.

Section 6.05. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 6.06. Governing Law and Regulations. This Loan Agreement shall be governed by and construed in accordance with the laws of the State, including the Loan Act and the Regulations, which Regulations are, by this reference thereto, incorporated herein as a part of this Loan Agreement.

Section 6.07. Consents and Approvals. Whenever the written consent or approval of the State shall be required under the provisions of this Loan Agreement, such consent or approval may only be given by the Secretary.

Section 6.08. Further Assurances. The Municipality shall, at the request of KDHE, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be reasonably necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Loan Agreement.

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IN WITNESS WHEREOF, KDHE and the Municipality have caused this Loan Agreement to be executed, sealed and delivered, effective as of the date above first written.

THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT, acting on behalf of THE STATE OF KANSAS



By: Janet Stanek
Janet Stanek
Secretary
Kansas Department of Health and Environment

Date: 3-14-2025

THE CITY OF TONGANOXIE, KANSAS

(Seal)

By: _____
Title: Mayor
"Municipality"

Date: _____

ATTEST:

By: _____
Title: Clerk

EXHIBIT A

DESCRIPTION OF THE PROJECT

The project includes phased improvements to the City's existing wastewater treatment facility. The Phase I project will replace aged equipment, enhance existing processes and accommodate additional near-term demands allowing the facility to operate within the current permitted capacity.

EXHIBIT B

DEDICATED SOURCE OF REVENUES AND LOAN REPAYMENT SCHEDULE

Dedicated Source of Revenue

The Municipality shall impose and collect such rates, fees and charges for the use and services furnished by or through the System, including all improvements and additions thereto hereafter constructed or acquired by the Municipality as will provide System Revenues or levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce amounts which are sufficient to (a) pay the cost of the operation and maintenance of the System, (b) pay the principal of and interest on the Loan as and when the same become due, and (c) pay all other amounts due at any time under the Loan Agreement; provided, however, no lien or other security interest is granted by the Municipality to KDHE on the System Revenues under this Agreement. In the event that the System Revenues are insufficient to meet the obligations under the Loan and the Loan Agreement, the Municipality shall levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce the amounts necessary for the prompt payment of the obligations under the Loan and Loan Agreement.

Loan Repayment Schedule

The Municipality and KDHE have agreed that interest becoming due semiannually on the Loan during the construction period for the Project may be capitalized and repaid as a part of the Loan. In this regard, KDHE shall give the Municipality written notice of each semiannual installment of interest becoming due during the construction period. At its option, the Municipality may elect to pay such amounts, and if so elected, must pay such amounts within 30 days of receipt of the notice of their becoming due. If the Municipality does not elect to pay such amounts within 30 days of receipt of such notice, the amount then due and owing as semiannual interest on the Loan shall be capitalized and added to the principal amount of the Loan and shall bear interest at the rate of interest set forth in **Section 2.02** hereof.

KANSAS WATER POLLUTION CONTROL REVOLVING FUND

Preliminary Schedule for Construction Loan Agreement
Amortization of Loan Costs as of 3/10/2025

Project Principal: 5,000,000.00
Interest During Const.: 0.00
Service Fee During Const.: 0.00
Gross Loan Costs: 5,000,000.00

Prepared for:
City of Tonganoxie, Project No. C20 3067 01

Gross Interest Rate Allocation	thru 9/1/2030	after 9/1/2030
Service Fee Rate:	2.23%	0.25%
Net Loan Interest Rate:	0.25%	2.23%

Gross Interest Rate:	2.48%
First Payment Date:	3/1/2027
Number of Payments:	40

Payment Number	Payment Date	Beginning Balance	Interest Payment	Principal Payment	Service Fee	Total Payment	Ending Balance
1	3/1/2027	5,000,000.00	6,250.00	97,310.06	55,750.00	159,310.06	4,902,689.94
2	9/1/2027	4,902,689.94	6,128.36	98,516.71	54,664.99	159,310.06	4,804,173.23
3	3/1/2028	4,804,173.23	6,005.22	99,738.31	53,566.53	159,310.06	4,704,434.92
4	9/1/2028	4,704,434.92	5,880.54	100,975.07	52,454.45	159,310.06	4,603,459.85
5	3/1/2029	4,603,459.85	5,754.32	102,227.16	51,328.58	159,310.06	4,501,232.69
6	9/1/2029	4,501,232.69	5,626.54	103,494.78	50,188.74	159,310.06	4,397,737.91
7	3/1/2030	4,397,737.91	5,497.17	104,778.11	49,034.78	159,310.06	4,292,959.80
8	9/1/2030	4,292,959.80	5,366.20	106,077.36	47,866.50	159,310.06	4,186,882.44
9	3/1/2031	4,186,882.44	46,683.74	107,392.72	5,233.60	159,310.06	4,079,489.72
10	9/1/2031	4,079,489.72	45,486.31	108,724.39	5,099.36	159,310.06	3,970,765.33
11	3/1/2032	3,970,765.33	44,274.03	110,072.57	4,963.46	159,310.06	3,860,692.76
12	9/1/2032	3,860,692.76	43,046.72	111,437.47	4,825.87	159,310.06	3,749,255.29
13	3/1/2033	3,749,255.29	41,804.20	112,819.29	4,686.57	159,310.06	3,636,436.00
14	9/1/2033	3,636,436.00	40,546.26	114,218.25	4,545.55	159,310.06	3,522,217.75
15	3/1/2034	3,522,217.75	39,272.73	115,634.56	4,402.77	159,310.06	3,406,583.19
16	9/1/2034	3,406,583.19	37,983.40	117,068.43	4,258.23	159,310.06	3,289,514.76
17	3/1/2035	3,289,514.76	36,678.09	118,520.08	4,111.89	159,310.06	3,170,994.68
18	9/1/2035	3,170,994.68	35,356.59	119,989.73	3,963.74	159,310.06	3,051,004.95
19	3/1/2036	3,051,004.95	34,018.71	121,477.59	3,813.76	159,310.06	2,929,527.36
20	9/1/2036	2,929,527.36	32,664.23	122,983.92	3,661.91	159,310.06	2,806,543.44
21	3/1/2037	2,806,543.44	31,292.96	124,508.92	3,508.18	159,310.06	2,682,034.52
22	9/1/2037	2,682,034.52	29,904.68	126,052.84	3,352.54	159,310.06	2,555,981.68
23	3/1/2038	2,555,981.68	28,499.20	127,615.88	3,194.98	159,310.06	2,428,365.80
24	9/1/2038	2,428,365.80	27,076.28	129,198.32	3,035.46	159,310.06	2,299,167.48
25	3/1/2039	2,299,167.48	25,635.72	130,800.38	2,873.96	159,310.06	2,168,367.10
26	9/1/2039	2,168,367.10	24,177.29	132,422.31	2,710.46	159,310.06	2,035,944.79
27	3/1/2040	2,035,944.79	22,700.78	134,064.35	2,544.93	159,310.06	1,901,880.44
28	9/1/2040	1,901,880.44	21,205.97	135,726.74	2,377.35	159,310.06	1,766,153.70
29	3/1/2041	1,766,153.70	19,692.61	137,409.76	2,207.69	159,310.06	1,628,743.94
30	9/1/2041	1,628,743.94	18,160.49	139,113.64	2,035.93	159,310.06	1,489,630.30
31	3/1/2042	1,489,630.30	16,609.38	140,838.64	1,862.04	159,310.06	1,348,791.66
32	9/1/2042	1,348,791.66	15,039.03	142,585.04	1,685.99	159,310.06	1,206,206.62
33	3/1/2043	1,206,206.62	13,449.20	144,353.10	1,507.76	159,310.06	1,061,853.52
34	9/1/2043	1,061,853.52	11,839.67	146,143.07	1,327.32	159,310.06	915,710.45
35	3/1/2044	915,710.45	10,210.17	147,955.25	1,144.64	159,310.06	767,755.20
36	9/1/2044	767,755.20	8,560.47	149,789.90	959.69	159,310.06	617,965.30
37	3/1/2045	617,965.30	6,890.31	151,647.29	772.46	159,310.06	466,318.01
38	9/1/2045	466,318.01	5,199.45	153,527.71	582.90	159,310.06	312,790.30
39	3/1/2046	312,790.30	3,487.61	155,431.46	390.99	159,310.06	157,358.84
40	9/1/2046	157,358.84	1,754.55	157,358.84	196.67	159,310.06	0.00
Totals			865,709.18	5,000,000.00	506,693.22	6,372,402.40	

EXHIBIT C

CONDITIONS APPLICABLE TO CONSTRUCTION OF THE PROJECT

1. Municipality agrees to expeditiously initiate and complete the Project in accordance with the following schedule:
 - a. Advertising for bids within 30 days of authorization to advertise.
 - b. Bid opening no sooner than 30 days after advertisement for bids.
 - c. Contract award within 60 days of bid opening.
 - d. Issuance of notice to proceed within 30 days of contract award.
 - e. Initiation of operation within 300 days of notice to proceed or no later than June 30, 2026.
 - f. Finalization of construction within 330 days of notice to proceed.
 - g. Project Performance Certification 365 days following Initiation of Operation.

KDHE must be promptly notified of any proposed changes.

2. Prior to giving a notice to proceed, the Municipality must certify that all easements and rights-of-way necessary to allow construction of the Project have been obtained (i.e., all real property has been acquired, bonafide options have been taken or formal condemnation proceedings have been initiated for necessary real property).
3. The Municipality agrees that all bid solicitations will include the following statement in the "Advertisement for Bids" for this project:

Nondiscrimination in Employment

- a. Bidders on this work will be required to comply with the President's Executive Order No. 11246 as amended. Requirements for bidders and contractors under this order are explained in the specifications.
4. The municipality must comply with and include the requirements of the Prohibition Statement below in all contracts and subcontracts made to private entities.
 - a. The Contractor, its employees, subcontractors and subcontractors' employees may not engage in severe forms of trafficking in persons during the period of time that the contract is in effect; procure a commercial sex act during the period of time that the contract is in effect; or use forced labor in the performance of the contract or subcontract.
5. The Municipality agrees to comply with the Kansas Act Against Discrimination, K.S.A. 44-1001, *et seq.* and the Kansas Age Discrimination in Employment Act, K.S.A. 44-1111, *et seq.* as provided by law and to include those provisions in every contract or purchase order relating to the Project so that they are binding upon such subcontractors or vendors.
6. The Municipality agrees to include Section 202 of Executive Order 11246 in all contracts and subcontracts for all construction contracts exceeding \$10,000.00.

7. If the project is for construction, alteration, and repair of treatment works, the municipality shall comply with KWPCRF wage rate requirements listed below:
- a. insert in full in any contract funded by this loan agreement in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1, wage rate contract provisions, found in 29 CFR 5.5, as indicated by EPA and US Department of Labor, generally known as Davis Bacon requirements;
 - b. while the solicitation remains open, shall monitor <https://beta.sam.gov/> on a weekly basis to ensure that the wage determination contained in the solicitation remains current. The municipality shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the Municipality may request a finding from KDHE that there is not reasonable time to notify interested contractors of the modification of the wage determination. KDHE will provide a report of its findings to the Municipality.
 - c. incorporate any modifications or supersedes DOL makes to the wage determination contained in the solicitation if the contract is not awarded within 90 days of bid opening. Unless KDHE, at the request of the Municipality, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The Municipality shall monitor <https://beta.sam.gov/> on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.
 - d. review all subcontracts subject to Davis-Bacon entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.
 - e. either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order, if the Department of Labor (DOL) issues a revised wage determination applicable to the contract after the award of a contract or the issuance of an ordering instrument due to a DOL determination that the municipality has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. The Municipality's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.
 - f. provide written confirmation in a form satisfactory to KDHE indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and

completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls;

- g. interview a sufficient number of employees entitled to Davis Bacon Act prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 20 CFR 5.6 (a)(6), all interviews must be conducted in confidence. The Municipality must use Standard Form 1445 or equivalent documentation to memorialize the interviews. Copies of SF 1445 are available from EPA on request;
 - h. establish and follow an interview schedule based on its assessment of the risks of noncompliance with Davis-Bacon posed by contractors or subcontractors and the duration of the contract or subcontract. The municipality shall immediately conduct necessary interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.
 - i. periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The municipality shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with Davis -Bacon posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the municipality must spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. The municipality must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with Davis-Bacon. In addition, during the examinations the municipality shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.
 - j. periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item (h) and (i) above.
 - k. must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact Julie Milazzo at Milazzo.Julie@epa.gov or 206-553-2429 ; and to the appropriate DOL Wage and Hour District Office listed at www.dol.gov/whd/america2.htm.
8. The Municipality certifies that it is not suspended or debarred from participating in federal assistance and benefit programs and further agrees to fully comply with Subpart C of 2 CFR Part 180 and Subpart C of 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions." The Municipality must ensure that any lower tier covered transaction, as described in Subpart B of 2 CFR Part 180 and Subpart B of 2 CFR Part 1532, entitled "Covered

Transactions,” includes a term or condition requiring compliance with Subpart C. Recipient may search for exclusion records at www.sam.gov.

9. The Municipality agrees that all bid solicitations will include the Anti-Lobbying Certification form, which must be completed and returned with the bid form.
10. The owner or successful bidder must obtain, prior to construction, permit coverage from KDHE to discharge stormwater runoff associated with construction activity for most any project which disturbs one acre or more of soils. A Notice of Intent form (NOI) must be submitted to KDHE 60 days before the start of construction and a permit determination from KDHE must be made before construction can begin. The Kansas construction stormwater general permit, a Notice of Intent (application form), a frequently asked questions file, and supplemental materials are available online on the KDHE Stormwater Web Page at www.kdhe.state.ks.us/stormwater.
11. The Municipality shall follow applicable state procurement laws and regulations. KDHE approval is required prior to procurement.
12. The Municipality agrees to make prompt payment to its contractor(s) of sums due for construction and to retain only such amounts as may be justified by specific circumstances and provisions of this Loan Agreement or the construction contract.
13. The Municipality will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the completed work conforms with the approved plans and specifications per K.A.R. 28-16-55 and Water Quality Policy Memorandum No. 2-78 dated January 18, 1978 and will furnish progress reports and such other information as the State may require.
14. The Municipality hereby assures that the engineering firm principally responsible for supervising construction and for providing engineering services during construction (engineer associated with the design build team) will continue its relationship with the Municipality for a period of up to one year after initiation of operation of the Project. During this period, the engineering firm shall direct the operation of the Project, train operating personnel and prepare curricula and training material for operating personnel. The following specific requirements apply:
 - a. The Municipality agrees the performance standards applicable to the Project are:
 - (1) All construction deficiencies have been resolved.
 - b. One year after completion of construction and initiation of operation of the Project, the Municipality shall certify to KDHE whether or not such Project meets the design specifications and effluent limitations contained in subparagraph a. of this condition. Any statement of non-compliance must be accompanied by a corrective action report containing: an analysis of the cause of the Project's inability to meet performance standards; actions necessary to bring it into compliance, and a reasonably scheduled date for positive certification of the Project. Timely corrective action will be executed by the Municipality.

- c. Municipality agrees to furnish KDHE with an annual report describing actions taken to date to achieve positive certification, planned future activities, the Project's status and potential for positive certifications.
15. A final plan of operation and draft O&M Manual shall be submitted by the Municipality for approval by KDHE at or prior to 50 percent construction completion and the Final O&M Manual must be submitted at 90% construction completion. The plan of operation must include, but is not limited to, an assessment of the employee skills necessary to carry out the operation and maintenance function and a training plan designed to provide employees with the necessary skills. Details on the skills assessment must be submitted along with the final plan of operation. Necessary training as indicated by the skills assessment must be provided in accordance with the approved training plan.
 16. The rates and ordinances enacting the System user charges and System use requirements shall be enacted prior to initiation of operation.
 17. The municipality agrees to provide a Fiscal Sustainability Plan (FSP) document to KDHE, including an appropriate Asset Management Plan, prior to final closeout of the Loan Agreement project. The required scope of the FSP will be provided to the municipality by letter from KDHE.
 18. None of the funds made available by this loan agreement shall be used for a project for the construction, alteration, maintenance, or repair of a wastewater collection system or wastewater treatment plant unless all of the iron and steel products used in the project are produced in the United States. The term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
 19. This Project is consistent with the Kansas Water Quality Management Plan, subject to the provisions of Section 208(d) and 208(e) of the Federal Water Pollution Control Act, as amended. Service by the Project will not be denied or conditioned on the basis of factors or issues unrelated to wastewater management.
 20. The Loan Recipient must comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and a variety of program-specific statutes with nondiscrimination requirements. Other civil rights laws may impose additional requirements on the Loan Recipient. These laws include, but are not limited to, Title VII of the Civil Rights Act of 1964 (prohibiting race, color, national origin, religion, and sex discrimination in employment and in services provided by State and local governments, businesses, and non-profit agencies), and the Fair Housing Act (prohibiting race, color, national origin, age, family status, and disability discrimination in housing), as well as any other applicable civil rights laws.
 21. The Municipality hereby agrees to request and obtain intergovernmental environmental evaluations of the proposed Project and the Municipality hereby agrees to implement measures to mitigate all known adverse environmental effects of the project.

22. The Municipality is prohibited from procuring goods or services from persons who have been convicted of violations of the Clean Air Act or the Clean Water act.
23. The Municipality shall obtain any required Corps of Engineers Section 404 and/or Section 10 permit prior to awarding the construction contract.
24. If this Project is for a segment of a total project for the System, KDHE does not assume any obligation, commitment, or responsibility for funding any other anticipated steps, phases, segments or stages or any other improvements to the System not constituting the Project. The Municipality agrees to complete the total System improvements of which this Project is a part in accordance with the schedule presented in Exhibit C(1), regardless of whether KDHE funding is available for the remaining System improvements.

EXHIBIT D

USE OF LOAN PROCEEDS

Construction of a project to complete phased improvements to the City's existing wastewater treatment facility. The Phase I project will replace aged equipment, enhance existing processes and accommodate additional near-term demands allowing the facility to operate within the current permitted capacity.

The loan proceeds will be utilized to pay the costs of:

1. Construction: All actual construction costs of the improvements to the wastewater collection and treatment system and incidental work associated with construction.
2. Engineering: All actual costs of construction services including basic services, design, procurement, inspection, final plan of operation, user charge and sewer use ordinance development, one year project performance evaluation, and all items as included in the engineering contract for the project, including the Fiscal Sustainability Plan.
3. Administrative: All reasonable costs of legal and financial administrative support directly provided for the project, including financial audits.

Unallowable Costs: The costs of full time employees of the municipality.

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EXHIBIT E

INSTRUCTIONS FOR REQUESTING DISBURSEMENTS

1. All payment requests must be filed on the Outlay Report and Request for Disbursement Form and represent the actual completion level of the project at the date the request is prepared.
2. All cost entries must be based upon allowable work in place, which is due and payable. This means that you may **not** request payment for:
 - a. Any work or services, which have not been explicitly approved by the KDHE in the Loan Agreement or subsequent amendments.
 - b. Any work performed under a change order unless written approval of the change order has been given by the State.
 - c. Any ineligible project costs.
 - d. Any retainage which you are withholding from the construction contractor, engineer, etc.
 - e. Expenditures relating to site acquisition, easements, rights-of way, EXCEPT: (1) additional work required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act such as appraisal and certification services; (2) when the site itself is allowable in accordance with Federal SRF regulations and guidance; and (3) costs incurred in eminent domain proceedings.
 - f. Costs associated with the approval, preparation, issuance and sale of Bonds, and other costs incidental to normal operating overhead of a Municipality, whether performed by Municipal employees, the engineer, or the attorney.

It is essential that you understand the cost basis of the approved Loan amount. It is, therefore, necessary that you read the Loan Agreement (including all conditions) and its transmittal letter, any Loan amendments and Project correspondence, and that you maintain current and accurate files on all approved change orders. Failure to follow these procedures may result in your requesting and subsequently receiving overpayment of loan funds, which later may, in turn, result in substantial inconvenience to you and the Municipality. This could include repayment or crediting to KDHE the interest earned on overpaid funds, and any penalties that can result from this action.

3. Submit an original signature of the form and one set of supporting documentation directly to:

Kansas Department of Health & Environment
Bureau of Water
Municipal Programs
1000 SW Jackson Street, Suite 420
Topeka, Kansas 66612-1367

You should retain one copy for your records.

EXHIBIT E - REQUEST FOR DISBURSEMENT FROM KDHE REVOLVING LOAN PROGRAMS

INDICATE WHICH LOAN PROGRAM THIS REQUEST IS FOR: KANSAS WATER POLLUTION CONTROL REVOLVING FUND _____ KANSAS PUBLIC WATER SUPPLY LOAN FUND _____	KDHE PROJECT NUMBER (REFER TO LOAN AGREEMENT) KWPCRF PROJECT # C20 KPWSLF PROJECT # _____
--	--

IS THIS THE FINAL DISBURSEMENT REQUEST FOR THIS LOAN? YES _____ NO _____	RECIPIENT INFORMATION NAME : _____ ADDRESS or PO box (include City, State, Zip) : _____
PAYMENT REQUEST NUMBER : _____	

The undersigned hereby requests that the following amounts be disbursed for the following Project Costs as defined in the loan agreement:

Classification	Invoice amounts (invoices must be attached)	Invoiced from (list payee(s))	Description
a. Administrative expense (loan admin services, publication fees, attorney fees, etc.)			
b. Engineering services expense			
c. Land, easements (Not allowable under KWPCRF)			
d. Construction Contract Expense			
e. Equipment (by separate KDHE approved contract or procedure)			
f. Miscellaneous cost (not categorized above)			
g. Total of Invoices Submitted (sum of lines a thru f)			
h. Deductions for other sources of funding used (from grants or cash on hand)			
i. Total Disbursement Requested from KDHE * (Line g minus line h)			

CERTIFICATION: I hereby state and certify that: (i) the amounts requested, are or were necessary and appropriate in connection with the purchase, construction and installation of the Project, have been properly incurred and are a proper disbursement of the proceeds of the Loan and that an inspection has been performed and all work is in accordance with the terms of the Loan; have been paid or are justly due as stated above; and have not been the basis of any previous requisition from the proceeds of the Loan; (ii) all representations made in the Agreement remain true as of the date of this request; and (iii) no adverse developments affecting the financial

condition of the Recipient or its ability to complete the Project or to repay the Loan have occurred.

RECIPIENT NAME: _____

Signature of Authorized Certifying Official _____

Typed or Printed Name and Title _____

Date Signed _____	Telephone (Area Code, number & ext.) _____	Email _____
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EXHIBIT F

FORM OF MUNICIPALITY ORDINANCE

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF TONGANOXIE, KANSAS
HELD ON [ORDINANCE DATE]**

The Governing Body of the City met in [regular/special] session at the usual meeting place in the City, at [meeting time], the following members being present and participating, to-wit:

Absent:

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

(Other Proceedings)

Thereupon, there was presented an Ordinance entitled:

AN ORDINANCE AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT BETWEEN THE CITY OF TONGANOXIE, KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS WATER POLLUTION CONTROL REVOLVING FUND FOR THE PURPOSE OF FINANCING A WASTEWATER TREATMENT PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT.

Thereupon, [Council member] _____ moved that said Ordinance be passed. The motion was seconded by [Council member] _____. Said Ordinance was duly read and considered, and upon being put, the motion for the passage of said Ordinance was carried by the vote of the Governing Body, the vote being as follows:

Yes: _____.

No: _____.

Thereupon, the Mayor declared said Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. _____ and was signed and approved by the Mayor and attested by the Clerk. The Clerk was directed to publish the Ordinance one time in the official newspaper of the City.

(Other Proceedings)

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

(SEAL)

Clerk

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT BETWEEN THE CITY OF TONGANOXIE, KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS WATER POLLUTION CONTROL REVOLVING FUND FOR THE PURPOSE OF FINANCING A WASTEWATER TREATMENT PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT.

WHEREAS, the Federal Water Quality Act of 1987 (the "Federal Act") established revolving fund program for public wastewater treatment systems to assist in financing the costs of infrastructure needed to achieve or maintain compliance with the Federal Act and to protect the public health and authorized the Environmental Protection Agency (the "EPA") to administer a revolving loan program operated by the individual states; and

WHEREAS, to fund the state revolving fund program, the EPA will make annual capitalization grants to the states, on the condition that each state provide a state match for such state's revolving fund; and

WHEREAS, by passage of the Kansas Water Pollution Control Revolving Fund Act, K.S.A. 65-3321 through 65-3329, inclusive (the "Loan Act"), the State of Kansas (the "State") has established the Kansas Water Pollution Control Revolving Fund (the "Revolving Fund") for purposes of the Federal Act; and

WHEREAS, under the Loan Act, the Secretary of the Kansas Department of Health and Environment ("KDHE") is given the responsibility for administration and management of the Revolving Fund; and

WHEREAS, the Kansas Development Finance Authority (the "Authority") and KDHE have entered into a Master Financing Indenture (the "Master Indenture") pursuant to which KDHE agrees to enter into Loan Agreements with Municipalities for public wastewater treatment projects (the "Projects") and to pledge the Loan Repayments (as defined in the Master Indenture) received pursuant to such Loan Agreements to the Authority; and

WHEREAS, the Authority is authorized under K.S.A. 74-8905(a) and the Loan Act to issue revenue bonds (the "Bonds") for the purpose of providing funds to implement the State's requirements under the Federal Act and to loan the same, together with available funds from the EPA capitalization grants, to Municipalities within the State for the payment of Project Costs (as said terms are defined in the Loan Act); and

WHEREAS, the City of Tonganoxie, Kansas (the "Municipality") is a municipality as said term is defined in the Loan Act which operates a wastewater collection and treatment system (the "System"); and

WHEREAS, the System is a public Wastewater Treatment Works, as said term is defined in the Loan Act; and

WHEREAS, the Municipality has, pursuant to the Loan Act, submitted an Application to KDHE to obtain a loan from the Revolving Fund to finance the costs of improvements to its System consisting of the following:

Construction of a project to complete phased improvements to the City's existing wastewater treatment facility. The Phase I project will replace aged equipment, enhance existing processes and accommodate additional near-term demands allowing the facility to operate within the current permitted capacity.
(the "Project"); and

WHEREAS, the Municipality has taken all steps necessary and has complied with the provisions of the Loan Act and the provisions of K.A.R. 28-16-110 to 28-16-138 (the "Regulations") applicable thereto necessary to qualify for the loan; and

WHEREAS, KDHE has informed the Municipality that it has been approved for a loan in amount of not to exceed \$5,000,000 (the "Loan") in order to finance the Project; and

WHEREAS, the governing body of the Municipality hereby finds and determines that it is necessary and desirable to accept the Loan and to enter into a loan agreement and certain other documents relating thereto, and to take certain actions required in order to implement the Loan Agreement.

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

Section 1. Authorization of Loan Agreement. The Municipality is hereby authorized to accept the Loan and to enter into a certain Loan Agreement, with an effective date of March 10, 2025 with the State of Kansas acting by and through the Kansas Department of Health and Environment (the "Loan Agreement") to finance the Project Costs (as defined in the Loan Agreement). The Mayor and Clerk are hereby authorized to execute the Loan Agreement in substantially the form presented to the governing body this date, with such changes or modifications thereto as may be approved by the Mayor and the City Attorney, the Mayor's execution of the Loan Agreement being conclusive evidence of such approval.

Section 2. Establishment of Dedicated Source of Revenue for Repayment of Loan. Pursuant to the Loan Act, the Municipality hereby establishes a dedicated source of revenue for repayment of the Loan. In accordance therewith, the Municipality shall impose and collect such rates, fees and charges for the use and services furnished by or through the System, including all improvements and additions thereto hereafter constructed or acquired by the Municipality as will provide System Revenues or levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce amounts which are sufficient to (a) pay the cost of the operation and maintenance of the System, (b) pay the principal of and interest on the Loan as and when the same become due, and (c) pay all other amounts due at any time under the Loan Agreement; provided, however, no lien or other security interest is granted by the Municipality to KDHE on the System Revenues under this Agreement. In the event that the System Revenues are insufficient to meet the obligations under the Loan and the Loan Agreement, the Municipality shall levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce the amounts necessary for the prompt payment of the obligations under the Loan and Loan Agreement.

In accordance with the Loan Act, the obligations under the Loan and the Loan Agreement shall not be included within any limitation on the bonded indebtedness of the Municipality.

Section 3. Further Authority. The Mayor, Clerk and other City officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the

Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Governing Law. The Ordinance and the Loan Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Kansas.

Section 5. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City and publication in the official City newspaper.

PASSED by the governing body of the City on [Ordinance Date] and [signed][and **APPROVED**] by the Mayor.

(SEAL)

Mayor

ATTEST:

Clerk

[APPROVED AS TO FORM ONLY.]

[City Attorney]

EXHIBIT G

FORM OF OPINION OF MUNICIPALITY'S COUNSEL

[Date]

Kansas Development Finance Authority
Topeka, Kansas

The Kansas Department of Health and
Environment, acting on behalf of
The State of Kansas
Topeka, Kansas

Re: Loan Agreement effective as of March 10, 2025, between the Kansas Department of Health and Environment ("KDHE"), acting on behalf of the State of Kansas (the "State"), and the City of Tonganoxie, Kansas (the "Municipality")

I have acted as counsel to the Municipality in connection with the authorization, execution and delivery of the above referenced Loan Agreement (the "Loan Agreement"). In my capacity as counsel to the Municipality, I have examined original or certified copies of minutes, ordinances of the Municipality and other documents relating to the authorization of the Project, the authorization, execution and delivery of the Loan Agreement, and the establishment of a Dedicated Source of Revenue (as defined in the Loan Agreement) for repayment of the Loan evidenced by the Loan Agreement. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the Loan Agreement.

In this connection, I have examined the following:

- (a) an executed or certified copy of the Loan Agreement;
 - (b) proceedings adopted or taken by the Municipality to authorize and approve the Project to be constructed with the proceeds of the Loan evidenced by the Loan Agreement;
 - (c) Ordinance No. _____ of the Municipality (the "Ordinance") adopted on [Ordinance Date], and other proceedings of the Municipality taken and adopted in connection with the authorization, execution and delivery of the Loan Agreement, and the establishment of a Dedicated Source of Revenue for repayment of the Loan evidenced by the Loan Agreement; and
 - (d) such other proceedings, documents and instruments as I have deemed necessary or appropriate to the rendering of the opinions expressed herein.
- In this connection, I have reviewed such documents, and have made such

investigations of law, as deemed relevant and necessary as the basis for the opinions hereinafter expressed.

Based upon the foregoing, it is my opinion, as of the date hereof, that:

1. The Municipality is a municipal corporation duly created, organized and existing under the laws of the State.
2. The Municipality operates a public Wastewater Treatment Works, as said term is defined in the Loan Act.
3. The Project has been duly authorized by the Municipality.
4. The Municipality has all requisite legal power and authority to, and has been duly authorized under the terms and provisions of the Ordinance to, execute and deliver, and perform its obligations under, the Loan Agreement.
5. The Loan Agreement has been duly authorized, executed and delivered by the Municipality and constitutes a valid and binding agreement of the Municipality enforceable in accordance with its terms, subject as to enforcement of remedies to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights heretofore or hereafter enacted, and subject further to the exercise of judicial discretion in accordance with general principles of equity. In rendering this opinion I have assumed due authorization, execution and delivery of the Loan Agreement by the State, acting by and through KDHE.
6. The Municipality has duly authorized the Dedicated Source of Revenue for repayment of the Loan to be made pursuant to the Loan Agreement.
7. To the best of my knowledge, the execution and delivery of the Loan Agreement by the Municipality will not conflict with or result in a breach of any of the terms of, or constitute a default under, any ordinance, indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Municipality is a party or by which it or any of its property is bound or any of the rules or regulations applicable to the Municipality or its property or of any court or other governmental body.

Very truly yours,

EXHIBIT H

MUNICIPALITY'S NOTICE ADDRESS

Mayor and City Council
Tonganoxie City Hall
526 E. 4th Street
Tonganoxie, KS 66086

EXHIBIT I

BORROWER SAMPLE ANNUAL COMPLIANCE CHECKLIST (Example – Do Not Complete)

Name of Borrower: Tonganoxie, Kansas
Number of Borrower Loan financing the Financed Facility: KWPCRF Proj. No. C20 3067 01
Financed Facility and Placed in Service Date: This project includes phased improvements to the City's existing wastewater treatment facility. The Phase I project will replace aged equipment, enhance existing processes and accommodate additional near-term demands allowing the facility to operate within the current permitted capacity. This loan agreement (C20 3067 01) provides funds for planning, administrative, design and construction costs and interest during construction.
Issue Date of Borrower Loan: March 10, 2025
Name of Borrower Bond Compliance Officer:
Period covered by request ("Annual Period"):

Item	Question	Response
1 Project Completion	Has the Project intended to be financed from proceeds of the Borrower Loan been completed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Please provide the completion date of the Borrower Project, or, if the Borrower Project is not yet complete, the <u>expected</u> completion dates of the Project.	

Item	Question	Response
2 Ownership	Was the Financed Facility owned by the Borrower during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "No," please describe the assets no longer owned and indicate whether KDFA and KDHE were notified and advice or an Opinion of Bond Counsel obtained prior to the transfer. Include a copy of any advice or Opinion of Bond Counsel in your response.	

Item	Question	Response
3 Leases and Other Rights to Possession	During the Annual Period, was any part of the Financed Facility used by any entity other than the Borrower at any time pursuant to a lease or similar agreement for more than 50 days (e.g., has the Borrower entered into an agreement permitting a cell phone tower or advertisement on a Financed Facility)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If the answer above was "Yes", describe the Financed Facility subject to the lease or similar use agreement and indicate whether KDFA and KDHE were notified and advice or Opinion of Bond Counsel obtained prior to entering into the lease or use agreement. Include a copy of any advice or Opinion of Bond Counsel and a copy of the agreement in your response.	

Item	Question	Response
4 Management or Service Agreements	During the Annual Period, has the Borrower entered into an agreement with another entity to manage the operation of the Financed Facility? (for example, does a private entity operate the System on behalf of the Borrower)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If the answer above was "Yes", describe the Financed Facility subject to the management or operating agreement and indicate whether KDFA and KDHE were notified and advice or Opinion of Bond Counsel obtained prior to entering into the management or operating agreement. Include a copy of any advice or Opinion of Bond Counsel and a copy of the agreement in your response.	

Item	Question	Response
5 Other Use	During the Annual Period, was any agreement entered into with an individual or entity that grants special legal rights to the Financed Facility (e.g., has the Borrower entered into a take or pay contract or similar agreement related to output from the Financed Facility)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If the answer above was "Yes", describe the Financed Facility subject to the agreement and indicate whether KDFA and KDHE were notified and advice or Opinion of Bond Counsel obtained prior to entering into the agreement. Include a copy of any advice or Opinion of Bond Counsel and a copy of the agreement in your response.	

Borrower Authorized Representative (Print Name): _____

Borrower Authorized Representative (Signature): _____

Date: _____

**FINDINGS OF THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF
LEAVENWORTH, KANSAS MADE PURSUANT TO THE PROVISIONS OF K.S.A. 12-
520c AND RELATING TO RESOLUTION NO 2-24-01 OF THE CITY OF
TONGANOXIE KANSAS.**

NOW ON THIS 2ND DAY OF APRIL, 2025, during a regularly scheduled meeting, the Board of County Commissioners of the County of Leavenworth, Kansas (“Board”) did consider Resolution No. 2-24-01 of the City of Tonganoxie, Kansas (“City”) for the purpose of making the findings required by K.S.A. 12-520c relating to the proposed annexation of land by the City.

WHEREUPON, the Board reviewed information by county staff regarding the question of whether the proposed annexation would hinder or prevent the proper growth and development of the area. The board also considered information and testimony presented on behalf of the city. Upon consideration of the information provided and discussion of the topic by the members of the board, the following findings were made:

1. The City’s amended proposal including the annexation of all of 222nd street to the centerline satisfies the prior concerns that the County had in regard to access and maintenance obligation.
2. The amended proposal also satisfies the County’s prior concerns surrounding how road access is gained and when or by whom necessary maintenance and future roadway improvements.
3. That based on the totality of the record, the proposed annexation will not hinder or prevent the proper growth and development of the area or that of any other incorporated city located within the county.

SO FOUND THIS 2ND DAY OF APRIL, 2025

BOARD OF COUNTY COMMISSIONERS
OF LEAVENWORTH COUNTY, KANSAS



Mike Smith, CHAIR


Jeff Culbertson, MEMBER



Vanessa Reid, MEMBER


Willie Dove, MEMBER


Mike Stieben, MEMBER



ATTEST:


Fran Keppler, CLERK

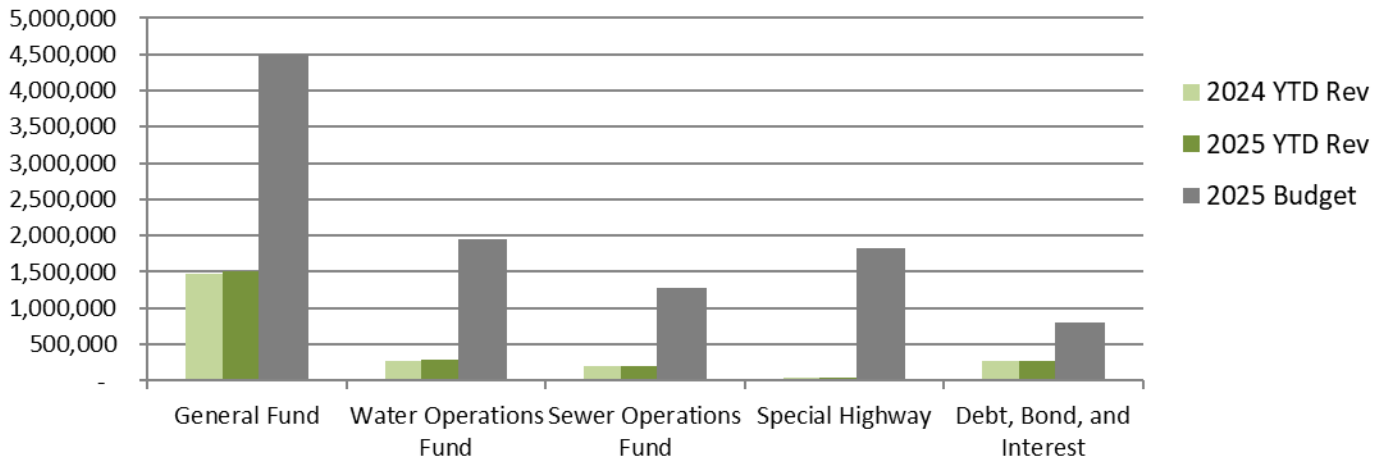
CITY OF TONGANOXIE FINANCIAL REPORT

FEBRUARY 2025

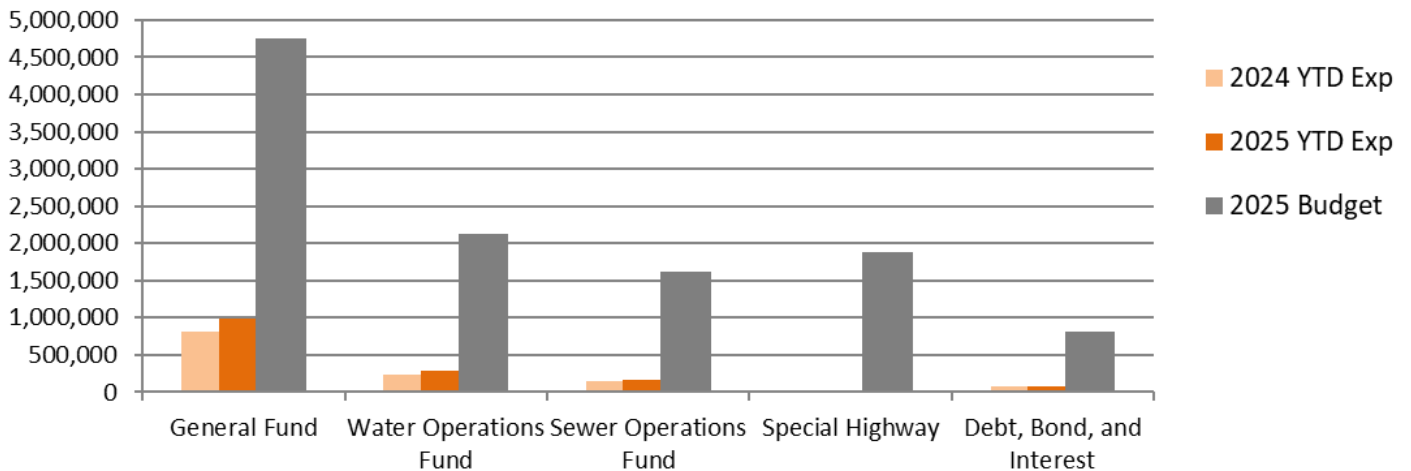
EXECUTIVE SUMMARY

- 16.6% of FY 2025 completed as of February 28, 2025.
- Revenue and Expenditure Summaries for the City's Major Funds are shown on page 2 – 3 of the financial report.
- The City completed payment for the 3/1 due date debt service payments in February 2025, including repayment of the 2023A Temporary Note principal & interest.
- Total EDA grant receipts to date are \$1,339,838.94. The final grant reimbursement request was submitted to the EDA in November and will allow the close out of the project in the March 2025 period.
- American Rescue Plan Act (ARPA) - The City currently retains \$370,458 in funds for future payment for the WWTP Improvements Project contract after expenditures of \$24,650 in February 2025. Required reporting for “non-entitlement unit” local governments like the City of Tonganoxie was completed in April 2024 with the next report due during April 2025. In 2023 the City approved the spending obligation for all the City's remaining ARPA funds on a majority portion of the costs of the design engineering contract costs for the WWTP Improvements Project.
- No funds have completed mid-year budget amendments in 2025. Staff will continue to monitor fund activities to determine if presenting any mid-year amendments are necessary.

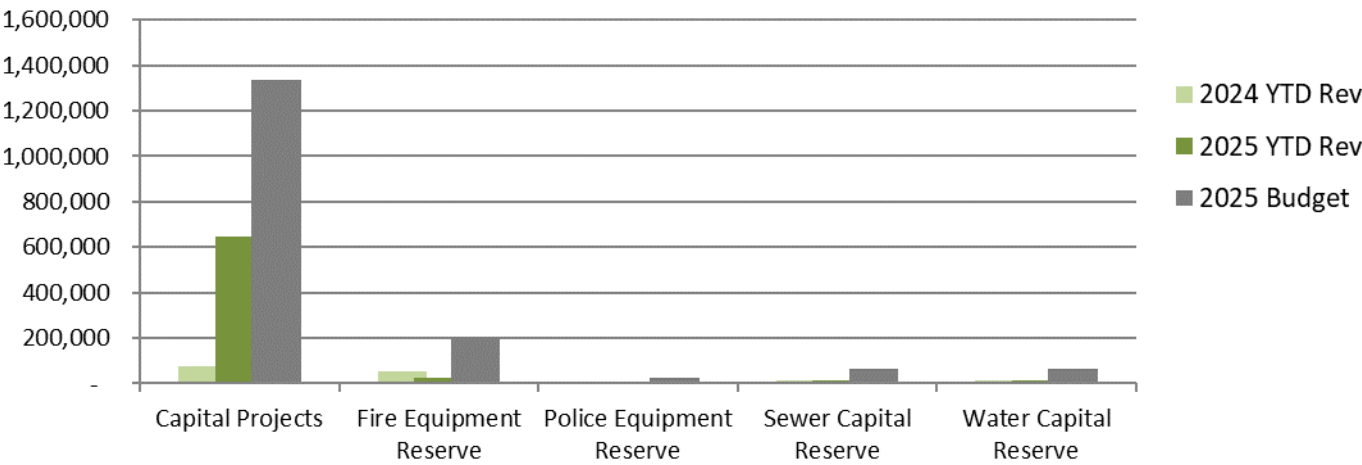
Major Fund Revenues



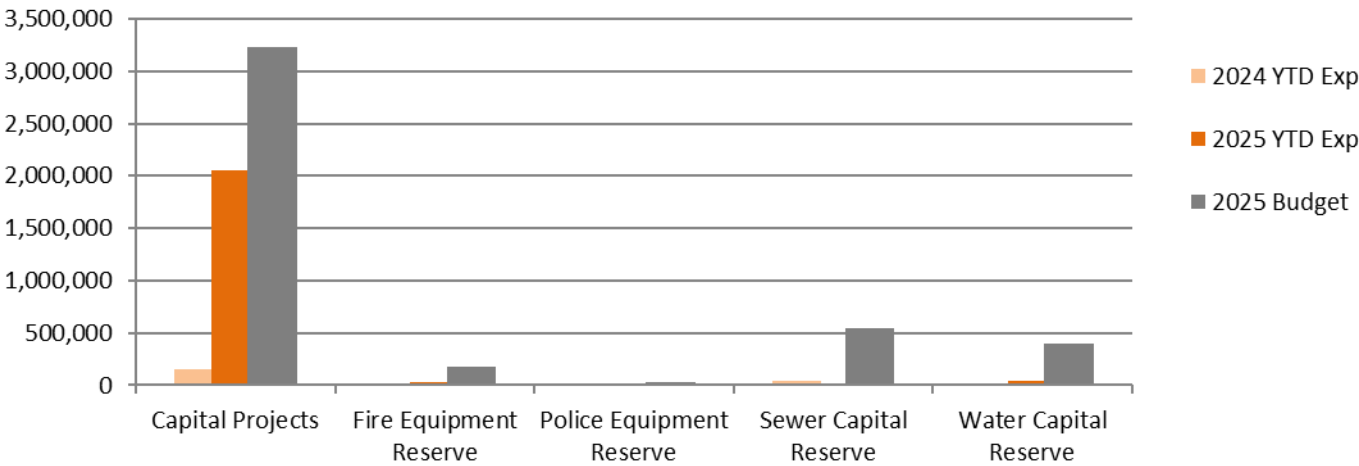
Major Fund Expenditures



Utility & Non-Utility Capital Funds Revenues



Utility & Non-Utility Capital Funds Expenditures



MAJOR REVENUES DETAIL VIEW

SALES & USE TAX –

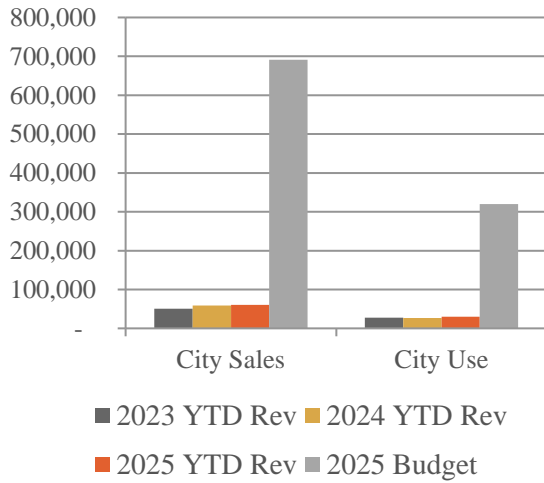
City of Tonganoxie Sales Tax Rate (9.25%) is comprised of:

6.5% - State, 1% LV County, 1% City General Fund, 0.75% City Infrastructure General Purpose

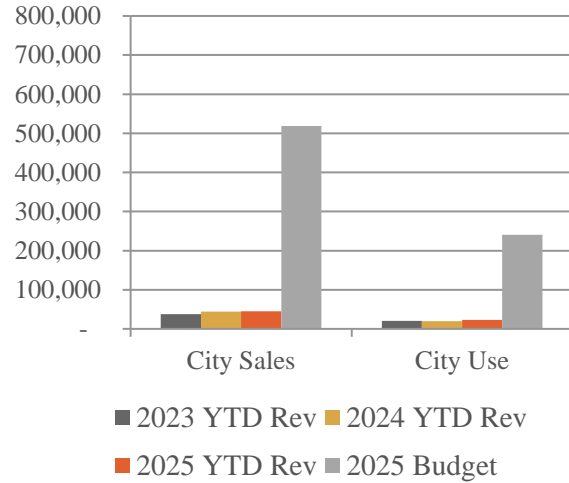
☑ The receipt of the second monthly remittance of sales and use tax proceeds from the State of Kansas was received late and was recorded in March 2025.

YTD = January only (2025)	Total City	Total County	Total Sales	Total Use	Total Collections
2022 YTD	134,725	57,409	130,166	61,968	192,134
2023 YTD	136,637	60,564	130,987	66,214	197,202
2024 YTD	148,886	64,570	146,482	66,974	213,456
2025 YTD	158,546	64,292	149,530	73,309	222,838
Diff (2025-2024)	9,660	(278)	3,047	6,335	9,382
% Difference	6.5%	-0.4%	2.1%	9.5%	4.4%
36-month rolling avg	145,380	62,655	144,072	63,964	208,036
24-month rolling avg	149,380	63,692	147,360	65,713	213,073
12-month rolling avg	146,663	62,934	145,314	64,284	209,598

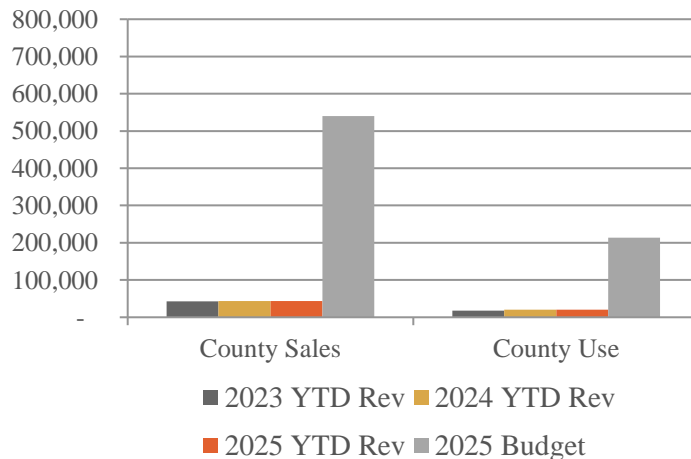
General Fund (1%)



Infrastructure Sales Tax Fund (0.75%)

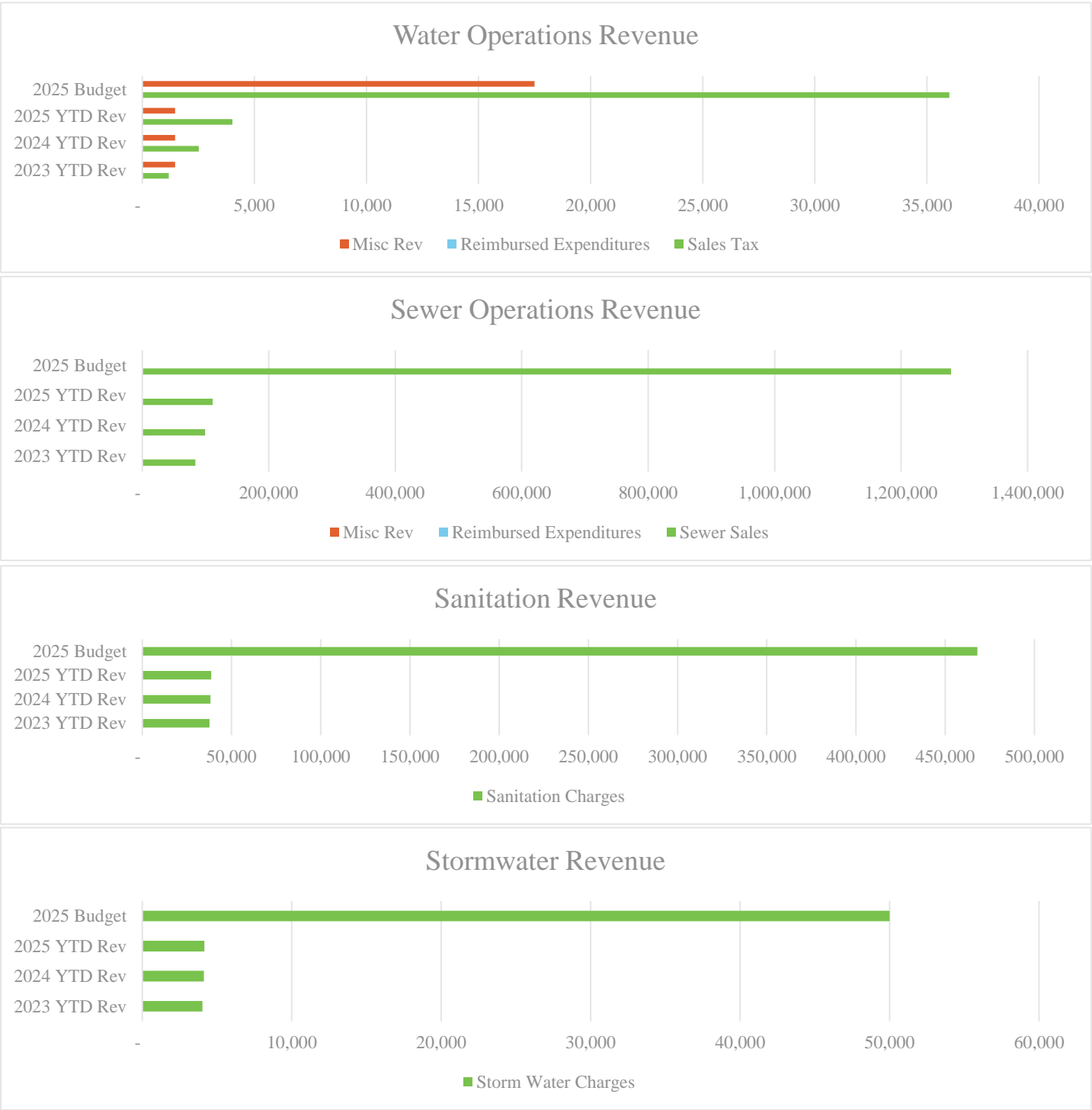


Capital Projects Fund (City share of LV County Sales Tax)



UTILITY REVENUE HIGHLIGHTS –

The City of Tonganoxie maintains 4 utility enterprise funds. Summaries of revenue trends are identified below.



2025 BUDGET INITIATIVES

CITY INFRASTRUCTURE & SHARE OF LEAVENWORTH COUNTY SALES TAX PROCEEDS

- ☐ \$500,000 total from the Infrastructure Sales Tax (\$240,000) and special highway funding to support an 8th consecutive year of enhanced street maintenance activities
- ☐ \$261,850 from the Infrastructure Sales Tax to support the 8th of 20 years of scheduled Library bldg. debt service payments
- ☒ \$80,000 from the Infrastructure Sales Tax & County Sales Tax to support Water Park painting and diving board replacements
- ☒ \$136,000 from the City's share of the County Sales Tax and the Infrastructure Sales Tax for replacement of 4th Street Bridge – Survey & partial design completed in 2023, engineering and construction commencing in 2024 with completion in 2025.

CONTINUED COMMUNITY BUILDING AND SUPPORT

- ☒ Police Station Interior Flooring Updates
- ☒ Fire Station Facility Kitchen Updates
- ☒ \$21,897 for funding assistance for LCDC
- ☒ \$20,000 for funding assistance for the following community organizations:
Tonganoxie Business Association (\$5,000) Tonganoxie Arts Council (\$5,000) Tonganoxie Farmers Market (\$5,000)
Tonganoxie Historical Society (\$5,000)
- ☒ \$12,500 for funding assistance for community events

UTILITY FUNDS

- ☒ Cash repayment of Series 2023A Temporary Notes final obligations in February 2025 utilizing fund balances available in the Water Operations, Water Capital, Capital Projects, Infrastructure Sales Tax, and Business Park Development Funds
- ☒ Wastewater Treatment Plant Improvements – Design & construction engineering contract (\$967,100) approved in 2022. Design largely completed in 2024 with construction planned in 2025-2026.
- ☒ Elevated Water Tower Repainting and Maintenance (HW 24/40 Tower location)
- ☒ \$140,000 for replacement of 3 Public Works utility trucks
- ☒ \$45,000 for purchase of Lift Equipment
- ☐ \$50,000 in Storm Water Fund for engineering assessment projects and maintenance services/projects
- ☐ \$50,000 for sewer TV inspection & maintenance activities

OPERATIONAL RESOURCES AND STAFFING TO PROVIDE QUALITY SERVICES

- ☒ 5% annual merit pool funding available to high performing City employees
- ☒ Addition of City Match Increase to 457(b) Deferred Compensation Plan
- ☒ Conversion of one Administration Department Position from Part-Time to Full-Time
- ☒ \$136,000 for Police Department vehicles replacements (2)
- ☒ Fire Department and Police Department Operational Budget Increases for items including automotive maintenance, medical supplies, and conducted energy weapons replacements

2026 BUDGET DEVELOPMENT TIMELINE

- ☒ March 2025 – Spring Retreat
- ☐ May 2025 – Capital Maintenance & Improvements Plan (CMIP) City Council work session
- ☐ June 2025 – Base Budget preparation & department budget presentations
- ☐ July 2025 – Budget work sessions & notice to County Clerk of proposed mill levy & RNR
- ☐ August 2025 – Publication of notice of public hearings
- ☐ September 2, 2025 – RNR & Budget Public Hearings and Potential Budget Adoption
- ☐ September 2025 – Delivery of Adopted FY 2026 Budget Forms to the Leavenworth County Clerk



City of Tonganoxie, KS

Revenue Budget Report Group Summary

For Fiscal: 2025 Period Ending: 02/28/2025

SubCategory	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 100 - General Fund							
411 - Property Taxes	2,307,838.00	2,307,838.00	0.00	1,157,886.37	0.00	-1,149,951.63	49.83%
412 - Sales and Use Taxes	1,015,470.00	1,015,470.00	0.00	90,529.93	0.00	-924,940.07	91.08%
421 - Franchise Fees	499,000.00	499,000.00	34,380.77	79,250.68	0.00	-419,749.32	84.12%
432 - Pool Charges	170,000.00	170,000.00	0.00	0.00	0.00	-170,000.00	100.00%
441 - Business L&P	10,100.00	10,100.00	1,255.00	5,485.00	0.00	-4,615.00	45.69%
442 - Development L&P	77,000.00	77,000.00	3,521.00	11,415.00	0.00	-65,585.00	85.18%
443 - Individual/Miscellaneous L&P	1,200.00	1,200.00	0.00	0.00	0.00	-1,200.00	100.00%
451 - Fines	190,000.00	190,000.00	11,947.00	26,661.92	0.00	-163,338.08	85.97%
464 - Reimbursed Expenses	90,000.00	90,000.00	9,611.61	74,611.61	0.00	-15,388.39	17.10%
466 - Miscellaneous Revenues	1,000.00	1,000.00	212.50	307.50	0.00	-692.50	69.25%
471 - Interest	100,000.00	100,000.00	27,461.95	55,488.62	0.00	-44,511.38	44.51%
491 - Interfund Transfers In	40,000.00	40,000.00	0.00	0.00	0.00	-40,000.00	100.00%
Fund: 100 - General Fund Total:	4,501,608.00	4,501,608.00	88,389.83	1,501,636.63	0.00	-2,999,971.37	66.64%
Fund: 210 - Water Operations Fund							
412 - Sales and Use Taxes	36,000.00	36,000.00	793.99	4,809.67	0.00	-31,190.33	86.64%
431 - Utility Charges	1,892,000.00	1,892,000.00	117,393.19	273,306.72	0.00	-1,618,693.28	85.55%
451 - Fines	300.00	300.00	40.00	80.00	0.00	-220.00	73.33%
466 - Miscellaneous Revenues	17,500.00	17,500.00	1,458.54	2,917.08	0.00	-14,582.92	83.33%
Fund: 210 - Water Operations Fund Total:	1,945,800.00	1,945,800.00	119,685.72	281,113.47	0.00	-1,664,686.53	85.55%
Fund: 220 - Sewer Operations Fund							
431 - Utility Charges	1,279,000.00	1,279,000.00	82,932.10	194,079.42	0.00	-1,084,920.58	84.83%
Fund: 220 - Sewer Operations Fund Total:	1,279,000.00	1,279,000.00	82,932.10	194,079.42	0.00	-1,084,920.58	84.83%
Fund: 230 - Sanitation Fund							
431 - Utility Charges	468,000.00	468,000.00	38,768.34	77,369.06	0.00	-390,630.94	83.47%
Fund: 230 - Sanitation Fund Total:	468,000.00	468,000.00	38,768.34	77,369.06	0.00	-390,630.94	83.47%
Fund: 240 - Storm Water							
431 - Utility Charges	50,000.00	50,000.00	4,214.45	8,372.67	0.00	-41,627.33	83.25%
464 - Reimbursed Expenses	47,000.00	47,000.00	0.00	0.00	0.00	-47,000.00	100.00%
Fund: 240 - Storm Water Total:	97,000.00	97,000.00	4,214.45	8,372.67	0.00	-88,627.33	91.37%
Fund: 310 - Transient Guest Tax							
412 - Sales and Use Taxes	2,200.00	2,200.00	0.00	672.10	0.00	-1,527.90	69.45%
Fund: 310 - Transient Guest Tax Total:	2,200.00	2,200.00	0.00	672.10	0.00	-1,527.90	69.45%

SubCategor...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 320 - Library Operations							
411 - Property Taxes	535,984.00	535,984.00	0.00	269,278.92	0.00	-266,705.08	49.76%
464 - Reimbursed Expenses	91,500.00	91,500.00	0.00	0.00	0.00	-91,500.00	100.00%
Fund: 320 - Library Operations Total:	627,484.00	627,484.00	0.00	269,278.92	0.00	-358,205.08	57.09%
Fund: 330 - Special Parks							
412 - Sales and Use Taxes	4,800.00	4,800.00	0.00	0.00	0.00	-4,800.00	100.00%
466 - Miscellaneous Revenues	5,200.00	5,200.00	0.00	0.00	0.00	-5,200.00	100.00%
Fund: 330 - Special Parks Total:	10,000.00	10,000.00	0.00	0.00	0.00	-10,000.00	100.00%
Fund: 340 - Special Highway							
414 - Fuel Tax	166,200.00	166,200.00	0.00	40,848.22	0.00	-125,351.78	75.42%
442 - Development L&P	50,000.00	50,000.00	0.00	0.00	0.00	-50,000.00	100.00%
463 - Other Grants	935,000.00	935,000.00	0.00	0.00	0.00	-935,000.00	100.00%
464 - Reimbursed Expenses	290,000.00	290,000.00	0.00	0.00	0.00	-290,000.00	100.00%
491 - Interfund Transfers In	390,000.00	390,000.00	0.00	0.00	0.00	-390,000.00	100.00%
Fund: 340 - Special Highway Total:	1,831,200.00	1,831,200.00	0.00	40,848.22	0.00	-1,790,351.78	97.77%
Fund: 350 - Infrastructure Sales Tax							
412 - Sales and Use Taxes	759,330.00	759,330.00	0.00	68,016.37	0.00	-691,313.63	91.04%
Fund: 350 - Infrastructure Sales Tax Total:	759,330.00	759,330.00	0.00	68,016.37	0.00	-691,313.63	91.04%
Fund: 360 - Capital Projects							
412 - Sales and Use Taxes	754,000.00	754,000.00	0.00	64,291.93	0.00	-689,708.07	91.47%
464 - Reimbursed Expenses	0.00	0.00	3,124.02	3,263.10	0.00	3,263.10	0.00%
491 - Interfund Transfers In	580,000.00	580,000.00	0.00	580,000.00	0.00	0.00	0.00%
Fund: 360 - Capital Projects Total:	1,334,000.00	1,334,000.00	3,124.02	647,555.03	0.00	-686,444.97	51.46%
Fund: 410 - Fire Equipment Reserve							
431 - Utility Charges	94,000.00	94,000.00	7,814.11	15,460.98	0.00	-78,539.02	83.55%
463 - Other Grants	104,000.00	104,000.00	0.00	0.00	0.00	-104,000.00	100.00%
464 - Reimbursed Expenses	0.00	0.00	7,450.00	7,450.00	0.00	7,450.00	0.00%
Fund: 410 - Fire Equipment Reserve Total:	198,000.00	198,000.00	15,264.11	22,910.98	0.00	-175,089.02	88.43%
Fund: 420 - Police Equipment Reserve							
441 - Business L&P	2,000.00	2,000.00	0.00	0.00	0.00	-2,000.00	100.00%
463 - Other Grants	2,000.00	2,000.00	0.00	0.00	0.00	-2,000.00	100.00%
465 - Sale of Assets	8,000.00	8,000.00	0.00	0.00	0.00	-8,000.00	100.00%
466 - Miscellaneous Revenues	5,000.00	5,000.00	0.00	0.00	0.00	-5,000.00	100.00%
628 - Other Contractual Services	6,000.00	6,000.00	530.00	1,030.00	0.00	-4,970.00	82.83%
Fund: 420 - Police Equipment Reserve Total:	23,000.00	23,000.00	530.00	1,030.00	0.00	-21,970.00	95.52%
Fund: 430 - Sewer Capital Reserve							
431 - Utility Charges	62,500.00	62,500.00	2,500.00	15,000.00	0.00	-47,500.00	76.00%
Fund: 430 - Sewer Capital Reserve Total:	62,500.00	62,500.00	2,500.00	15,000.00	0.00	-47,500.00	76.00%

SubCategor...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 440 - Water Capital Reserve							
431 - Utility Charges	62,500.00	62,500.00	2,500.00	15,000.00	0.00	-47,500.00	76.00%
Fund: 440 - Water Capital Reserve Total:	62,500.00	62,500.00	2,500.00	15,000.00	0.00	-47,500.00	76.00%
Fund: 500 - Debt, Bond, and Interest							
411 - Property Taxes	548,485.00	548,485.00	0.00	275,626.17	0.00	-272,858.83	49.75%
491 - Interfund Transfers In	261,850.00	261,850.00	0.00	0.00	0.00	-261,850.00	100.00%
Fund: 500 - Debt, Bond, and Interest Total:	810,335.00	810,335.00	0.00	275,626.17	0.00	-534,708.83	65.99%
Report Total:	14,011,957.00	14,011,957.00	357,908.57	3,418,509.04	0.00	-10,593,447.96	75.60%

Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
100 - General Fund	4,501,608.00	4,501,608.00	88,389.83	1,501,636.63	0.00	-2,999,971.37	66.64%
210 - Water Operations Fund	1,945,800.00	1,945,800.00	119,685.72	281,113.47	0.00	-1,664,686.53	85.55%
220 - Sewer Operations Fund	1,279,000.00	1,279,000.00	82,932.10	194,079.42	0.00	-1,084,920.58	84.83%
230 - Sanitation Fund	468,000.00	468,000.00	38,768.34	77,369.06	0.00	-390,630.94	83.47%
240 - Storm Water	97,000.00	97,000.00	4,214.45	8,372.67	0.00	-88,627.33	91.37%
310 - Transient Guest Tax	2,200.00	2,200.00	0.00	672.10	0.00	-1,527.90	69.45%
320 - Library Operations	627,484.00	627,484.00	0.00	269,278.92	0.00	-358,205.08	57.09%
330 - Special Parks	10,000.00	10,000.00	0.00	0.00	0.00	-10,000.00	100.00%
340 - Special Highway	1,831,200.00	1,831,200.00	0.00	40,848.22	0.00	-1,790,351.78	97.77%
350 - Infrastructure Sales Tax	759,330.00	759,330.00	0.00	68,016.37	0.00	-691,313.63	91.04%
360 - Capital Projects	1,334,000.00	1,334,000.00	3,124.02	647,555.03	0.00	-686,444.97	51.46%
410 - Fire Equipment Reserve	198,000.00	198,000.00	15,264.11	22,910.98	0.00	-175,089.02	88.43%
420 - Police Equipment Reserve	23,000.00	23,000.00	530.00	1,030.00	0.00	-21,970.00	95.52%
430 - Sewer Capital Reserve	62,500.00	62,500.00	2,500.00	15,000.00	0.00	-47,500.00	76.00%
440 - Water Capital Reserve	62,500.00	62,500.00	2,500.00	15,000.00	0.00	-47,500.00	76.00%
500 - Debt, Bond, and Interest	810,335.00	810,335.00	0.00	275,626.17	0.00	-534,708.83	65.99%
Report Total:	14,011,957.00	14,011,957.00	357,908.57	3,418,509.04	0.00	-10,593,447.96	75.60%



City of Tonganoxie, KS

Expenditure Budget Report Group Summary

For Fiscal: 2025 Period Ending: 02/28/2025

Category	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 100 - General Fund							
61 - Personal Services	3,340,752.00	3,340,752.00	242,215.91	720,868.75	0.00	2,619,883.25	78.42%
62 - Contractual Services	981,650.00	981,650.00	99,271.44	216,785.12	0.00	764,864.88	77.92%
63 - Commodities	250,050.00	250,050.00	9,265.09	15,778.06	0.00	234,271.94	93.69%
64 - Capital Outlay	180,050.00	180,050.00	94.02	33,170.35	0.00	146,879.65	81.58%
Fund: 100 - General Fund Total:	4,752,502.00	4,752,502.00	350,846.46	986,602.28	0.00	3,765,899.72	79.24%
Fund: 210 - Water Operations Fund							
61 - Personal Services	516,532.00	516,532.00	43,044.33	86,088.66	0.00	430,443.34	83.33%
62 - Contractual Services	1,213,000.00	1,213,000.00	67,510.46	132,556.39	0.00	1,080,443.61	89.07%
63 - Commodities	71,000.00	71,000.00	2,416.23	6,563.73	0.00	64,436.27	90.76%
64 - Capital Outlay	134,000.00	134,000.00	50,000.00	50,000.00	0.00	84,000.00	62.69%
68 - Debt Service	168,303.00	168,303.00	0.00	3,599.00	0.00	164,704.00	97.86%
69 - Transfers	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	100.00%
Fund: 210 - Water Operations Fund Total:	2,122,835.00	2,122,835.00	162,971.02	278,807.78	0.00	1,844,027.22	86.87%
Fund: 220 - Sewer Operations Fund							
61 - Personal Services	543,237.00	543,237.00	45,269.75	90,539.50	0.00	452,697.50	83.33%
62 - Contractual Services	333,000.00	333,000.00	10,284.23	24,389.20	0.00	308,610.80	92.68%
63 - Commodities	67,000.00	67,000.00	3,615.42	5,327.21	0.00	61,672.79	92.05%
64 - Capital Outlay	191,000.00	191,000.00	0.00	27,182.45	0.00	163,817.55	85.77%
68 - Debt Service	466,882.00	466,882.00	8,085.00	14,941.00	0.00	451,941.00	96.80%
69 - Transfers	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	100.00%
Fund: 220 - Sewer Operations Fund Total:	1,621,119.00	1,621,119.00	67,254.40	162,379.36	0.00	1,458,739.64	89.98%
Fund: 230 - Sanitation Fund							
62 - Contractual Services	468,000.00	468,000.00	33,643.23	67,156.34	0.00	400,843.66	85.65%
Fund: 230 - Sanitation Fund Total:	468,000.00	468,000.00	33,643.23	67,156.34	0.00	400,843.66	85.65%
Fund: 240 - Storm Water							
62 - Contractual Services	92,000.00	92,000.00	0.00	0.00	0.00	92,000.00	100.00%
63 - Commodities	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	100.00%
Fund: 240 - Storm Water Total:	97,000.00	97,000.00	0.00	0.00	0.00	97,000.00	100.00%
Fund: 310 - Transient Guest Tax							
62 - Contractual Services	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	100.00%
Fund: 310 - Transient Guest Tax Total:	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	100.00%
Fund: 320 - Library Operations							
61 - Personal Services	80,500.00	80,500.00	5,146.00	14,676.00	0.00	65,824.00	81.77%

Categor...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
62 - Contractual Services	546,984.00	546,984.00	0.00	269,278.92	0.00	277,705.08	50.77%
Fund: 320 - Library Operations Total:	627,484.00	627,484.00	5,146.00	283,954.92	0.00	343,529.08	54.75%
Fund: 330 - Special Parks							
62 - Contractual Services	7,000.00	7,000.00	0.00	0.00	0.00	7,000.00	100.00%
63 - Commodities	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	100.00%
Fund: 330 - Special Parks Total:	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	100.00%
Fund: 340 - Special Highway							
62 - Contractual Services	1,725,000.00	1,725,000.00	0.00	0.00	0.00	1,725,000.00	100.00%
64 - Capital Outlay	150,000.00	150,000.00	0.00	0.00	0.00	150,000.00	100.00%
Fund: 340 - Special Highway Total:	1,875,000.00	1,875,000.00	0.00	0.00	0.00	1,875,000.00	100.00%
Fund: 350 - Infrastructure Sales Tax							
69 - Transfers	1,231,850.00	1,231,850.00	0.00	580,000.00	0.00	651,850.00	52.92%
Fund: 350 - Infrastructure Sales Tax Total:	1,231,850.00	1,231,850.00	0.00	580,000.00	0.00	651,850.00	52.92%
Fund: 360 - Capital Projects							
62 - Contractual Services	217,500.00	217,500.00	29,890.51	36,250.51	0.00	181,249.49	83.33%
63 - Commodities	65,000.00	65,000.00	8,157.32	8,157.32	0.00	56,842.68	87.45%
64 - Capital Outlay	2,930,150.00	2,930,150.00	1,980,395.90	1,996,579.40	0.00	933,570.60	31.86%
68 - Debt Service	22,613.00	22,613.00	11,306.41	11,306.41	0.00	11,306.59	50.00%
Fund: 360 - Capital Projects Total:	3,235,263.00	3,235,263.00	2,029,750.14	2,052,293.64	0.00	1,182,969.36	36.56%
Fund: 410 - Fire Equipment Reserve							
62 - Contractual Services	0.00	0.00	0.00	7,795.90	0.00	-7,795.90	0.00%
64 - Capital Outlay	119,000.00	119,000.00	0.00	0.00	0.00	119,000.00	100.00%
65 - Grants and Other Programs	26,000.00	26,000.00	0.00	0.00	0.00	26,000.00	100.00%
68 - Debt Service	34,693.00	34,693.00	17,346.17	17,346.17	0.00	17,346.83	50.00%
Fund: 410 - Fire Equipment Reserve Total:	179,693.00	179,693.00	17,346.17	25,142.07	0.00	154,550.93	86.01%
Fund: 420 - Police Equipment Reserve							
63 - Commodities	6,000.00	6,000.00	75.55	75.55	0.00	5,924.45	98.74%
64 - Capital Outlay	27,000.00	27,000.00	0.00	0.00	0.00	27,000.00	100.00%
Fund: 420 - Police Equipment Reserve Total:	33,000.00	33,000.00	75.55	75.55	0.00	32,924.45	99.77%
Fund: 430 - Sewer Capital Reserve							
62 - Contractual Services	220,000.00	220,000.00	0.00	0.00	0.00	220,000.00	100.00%
64 - Capital Outlay	326,000.00	326,000.00	0.00	0.00	0.00	326,000.00	100.00%
Fund: 430 - Sewer Capital Reserve Total:	546,000.00	546,000.00	0.00	0.00	0.00	546,000.00	100.00%
Fund: 440 - Water Capital Reserve							
62 - Contractual Services	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	100.00%
64 - Capital Outlay	375,000.00	375,000.00	30,544.01	44,702.31	0.00	330,297.69	88.08%
Fund: 440 - Water Capital Reserve Total:	395,000.00	395,000.00	30,544.01	44,702.31	0.00	350,297.69	88.68%

Categor...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 500 - Debt, Bond, and Interest							
68 - Debt Service	804,230.00	804,230.00	77,023.74	83,707.49	0.00	720,522.51	89.59%
Fund: 500 - Debt, Bond, and Interest Total:	804,230.00	804,230.00	77,023.74	83,707.49	0.00	720,522.51	89.59%
Report Total:	18,003,976.00	18,003,976.00	2,774,600.72	4,564,821.74	0.00	13,439,154.26	74.65%

Fund Summary

Fund	Original	Current	Period	Fiscal	Encumbrances	Variance	Percent
	Total Budget	Total Budget	Activity	Activity		Favorable (Unfavorable)	
100 - General Fund	4,752,502.00	4,752,502.00	350,846.46	986,602.28	0.00	3,765,899.72	79.24%
210 - Water Operations Fund	2,122,835.00	2,122,835.00	162,971.02	278,807.78	0.00	1,844,027.22	86.87%
220 - Sewer Operations Fund	1,621,119.00	1,621,119.00	67,254.40	162,379.36	0.00	1,458,739.64	89.98%
230 - Sanitation Fund	468,000.00	468,000.00	33,643.23	67,156.34	0.00	400,843.66	85.65%
240 - Storm Water	97,000.00	97,000.00	0.00	0.00	0.00	97,000.00	100.00%
310 - Transient Guest Tax	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	100.00%
320 - Library Operations	627,484.00	627,484.00	5,146.00	283,954.92	0.00	343,529.08	54.75%
330 - Special Parks	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	100.00%
340 - Special Highway	1,875,000.00	1,875,000.00	0.00	0.00	0.00	1,875,000.00	100.00%
350 - Infrastructure Sales Tax	1,231,850.00	1,231,850.00	0.00	580,000.00	0.00	651,850.00	52.92%
360 - Capital Projects	3,235,263.00	3,235,263.00	2,029,750.14	2,052,293.64	0.00	1,182,969.36	36.56%
410 - Fire Equipment Reserve	179,693.00	179,693.00	17,346.17	25,142.07	0.00	154,550.93	86.01%
420 - Police Equipment Reserve	33,000.00	33,000.00	75.55	75.55	0.00	32,924.45	99.77%
430 - Sewer Capital Reserve	546,000.00	546,000.00	0.00	0.00	0.00	546,000.00	100.00%
440 - Water Capital Reserve	395,000.00	395,000.00	30,544.01	44,702.31	0.00	350,297.69	88.68%
500 - Debt, Bond, and Interest	804,230.00	804,230.00	77,023.74	83,707.49	0.00	720,522.51	89.59%
Report Total:	18,003,976.00	18,003,976.00	2,774,600.72	4,564,821.74	0.00	13,439,154.26	74.65%



Fund	Beginning Balance	Total Revenues	Total Expenses	Ending Balance
100 - General Fund	2,249,971.35	1,501,636.63	986,602.28	2,765,005.70
210 - Water Operations Fund	1,015,163.01	281,113.47	278,807.78	1,017,468.70
220 - Sewer Operations Fund	744,884.41	194,079.42	162,379.36	776,584.47
230 - Sanitation Fund	342,252.53	77,369.06	67,156.34	352,465.25
240 - Storm Water	140,793.76	8,372.67	0.00	149,166.43
310 - Transient Guest Tax	11,491.65	672.10	0.00	12,163.75
320 - Library Operations	15,786.79	269,278.92	283,954.92	1,110.79
330 - Special Parks	23,461.25	0.00	0.00	23,461.25
331 - Special Alcohol & Drug Programs	0.00	0.00	0.00	0.00
340 - Special Highway	579,716.76	40,848.22	0.00	620,564.98
350 - Infrastructure Sales Tax	1,261,615.71	68,016.37	580,000.00	749,632.08
360 - Capital Projects	2,211,526.96	647,555.03	2,052,293.64	806,788.35
410 - Fire Equipment Reserve	297,821.18	22,910.98	25,142.07	295,590.09
420 - Police Equipment Reserve	68,166.04	1,030.00	75.55	69,120.49
430 - Sewer Capital Reserve	435,913.82	15,000.00	0.00	450,913.82
440 - Water Capital Reserve	390,709.04	15,000.00	44,702.31	361,006.73
450 - Capital Reserve	915.03	0.00	0.00	915.03
500 - Debt, Bond, and Interest	241,951.13	275,626.17	83,707.49	433,869.81
930 - Debt Proceeds	641,372.97	6,740.02	648,112.99	0.00
940 - Gallagher Park Fund	19,331.59	0.00	0.00	19,331.59
950 - Festival/Event Fund	3,679.80	0.00	0.00	3,679.80
960 - Law Enforcement Trust	0.00	0.00	0.00	0.00
961 - Opioid Addiction Fund	34,966.35	859.93	0.00	35,826.28
971 - RHID 1	684.68	10,179.39	10,077.60	786.47
972 - RHID 2	509.83	102,181.07	101,159.26	1,531.64
973 - RHID 3	0.00	14,792.91	0.00	14,792.91
980 - Industrial Park Development Fund	640,635.61	0.00	151,690.00	488,945.61
984 - ARPA Fund	0.42	0.00	0.00	0.42
Report Total:	11,373,321.67	3,553,262.36	5,475,861.59	9,450,722.44

PROCLAMATION

A PROCLAMATION PROCLAIMING APRIL 2025 AS CHILD ABUSE PREVENTION MONTH IN THE CITY OF TONGANOXIE

WHEREAS, in fiscal year 2024, 70,940 reports were made to child protective services in the state of Kansas; and

WHEREAS, child abuse and neglect is a serious problem affecting every segment of our community, and finding solutions requires input and action from everyone; and

WHEREAS, our children are our most valuable resources and will shape the future of the state of Kansas; and

WHEREAS, child abuse can have long-term psychological, emotional, and physical effects that have lasting consequences for victims of abuse; and

WHEREAS, protective factors are conditions that reduce or eliminate risk and promote the social, emotional, and developmental well-being of children; and

WHEREAS, effective child abuse prevention activities succeed because of the partnerships created between child welfare professionals, education, health, community- and faith-based organizations, businesses, law enforcement agencies, and families; and

WHEREAS, communities must make every effort to promote programs and activities that create strong and thriving children and families; and

WHEREAS, we acknowledge that we must work together as a community to increase awareness about child abuse and contribute to promote the social and emotional well-being of children and families in a safe, stable, and nurturing environment; and

WHEREAS, prevention remains the best defense for our children and families.

NOW, THEREFORE, I, Mayor David Frese, City of Tonganoxie Mayor, do hereby proclaim April 2025 as NATIONAL CHILD ABUSE PREVENTION MONTH in the City of Tonganoxie and urge all citizens to recognize this month by dedicating ourselves to the task of improving the quality of life for all children and families.

SEAL:

Mayor David Frese

ATTEST:

Lindsay Huntington, City Clerk