

**MEETING NOTICE
MAIZE CITY COUNCIL
REGULAR MEETING
CEMETERY BOARD MEETING**

TIME: 7:00 P.M.
DATE: MONDAY, JULY 18, 2016
PLACE: MAIZE CITY HALL
10100 W. GRADY AVENUE

AGENDA

MAYOR CLAIR DONNELLY PRESIDING

- 1) Call to Order
- 2) Roll Call
- 3) Pledge of Allegiance/Moment of Silence
- 4) Approval of Agenda
- 5) Public Comments
- 6) Consent Agenda
 - a. Approval of Minutes – Regular Council Meeting of June 20, 2016.
 - b. Park and Tree Board Meeting Minutes of May 10, 2016.
 - b. Cash Disbursements from June 1, 2016 thru June 30, 2016 in the amount of \$832,949.08 (Check #62544 thru #62754).
- 6a) Kansas All-Star Shrine Bowl Day Proclamation
- 7) Old Business
 - None
- 8) New Business
 - A. Proposed Special Assessments-Eagles Nest Phase 2A & Industrial Park
 - B. Holiday Inn Industrial Revenue Bonds, Series A 2010
 - C. 2017 City Budget
 - D. Sunflower Foundation Letter of Agreement
 - E. 2016 Court Cost Ordinance
 - F. Personnel Policy Revision

*** Recess City Council Meeting and Convene Maize Park Cemetery Board Meeting:**

**MAIZE PARK CEMETERY BOARD
REGULAR MEETING**

**AGENDA
CHAIRPERSON KAREN FITZMIER PRESIDING**

- 1) Call to Order
- 2) Roll Call
- 3) Approval of Agenda
- 4) Approval of Minutes – Regular Cemetery Board Meeting of August 3, 2015
- 5) Re-Appointment of 4-year Term/Election of Officers
- 6) New Business:
 - A. 2017 Maize Park Cemetery Budget
- 7) Adjournment

*** Reconvene City Council Meeting**

- 9) Reports
 - Police
 - Public Works
 - City Engineer
 - Planning & Zoning
 - City Clerk
 - Legal
 - Operations
 - Mayor’s Report
 - Council Member’s Reports
- 10) Executive Session
- 11) Adjournment

**MINUTES-REGULAR MEETING
MAIZE CITY COUNCIL
Monday, June 20, 2016**

The Maize City Council met in a regular meeting at 7:00 p.m., Monday, **June 20, 2016** in the Maize City Hall, 10100 Grady Avenue, with **Mayor Clair Donnelly** presiding. Council members present were **Pat Stivers, Karen Fitzmier, Donna Clasen, Kevin Reid** and **Alex McCreath** (via telephone).

Also present were: **Richard LaMunyon**, City Administrator, **Rebecca Bouska**, Deputy City Administrator, **Jocelyn Reid**, Deputy City Clerk, **Matt Jensby**, Police Chief, **Ron Smothers**, Public Works Director, **Bill McKinley**, City Engineer, **Kim Edgington**, Planning Administrator, **Tom Powell**, City Attorney, **Larry Kleeman**, Financial Advisor and **Kim Bell**, Bond Counsel.

APPROVAL OF AGENDA:

The Agenda was submitted for approval.

MOTION: **Clasen** moved to approve the Agenda as submitted.
Stivers seconded. Motion declared carried.

CONSENT AGENDA:

The Consent Agenda was submitted for approval including:

- a) Approval of minutes – Regular Council Meeting of May 16, 2016.
- b) Cash Disbursements from May 1, 2016 through May 31, 2016 in the amount of \$484,658.25 (Check #62354 through #62543).
- c) Approval of Cereal Malt Beverage application from June, 2016 through December 31, 2016 for Paraiso Tex-Mex Restaurant.

MOTION: **Clasen** moved to approve the Consent Agenda with corrections to the May 16 Council minutes: remove “No action was taken” after the executive session.
Fitzmier seconded. Motion declared carried.

SERIES 2016A WATER REFUNDING BONDS SALE:

Bond bids, ordinance and resolution authorizing the sales of the 2016A Water Refunding Bonds were submitted for Council approval.

MOTION: **Reid** moved to accept the low bid from RW Baird Syndicate with an average net interest rate of 2.38%
Fitzmier seconded. Motion declared carried.

MOTION: **Fitzmier** moved to approve the ordinance authorizing and providing for the issuance of the bonds.
Stivers seconded. Motion declared carried.

MOTION: **Fitzmier** moved to approve the resolution prescribing the form and details of the bonds.
Stivers seconded. Motion declared carried.

City Clerk assigned Ordinance #914.
City Clerk assigned Resolution #582-16.

KDOT CONTROLLED ACCESS AGREEMENT:

An agreement with the Kansas Department of Transportation to allow for emergency access for Hampton Lakes 3rd Addition through KDOT right-of-way was submitted for Council approval.

MOTION: **Clasen** moved to approve the KDOT Controlled Access Agreement and authorize the Mayor to sign.
Fitzmier seconded. Motion declared carried.

HAMPTON LAKES 3RD ADDITION PLAT AND ZONE CHANGE REQUEST:

A one-step final plat and zone change request from LC Limited Commercial to MF-29 Multi Family were submitted for Council approval.

MOTION: *Clasen* moved to approve the ordinance for a zone change within Maize city limits and to accept the Hampton Lakes 3rd Addition final plat and that the plat to be filed with the County Register of Deeds.
Stivers seconded. Motion declared carried.

City Clerk assigned Ordinance #915.

EXECUTIVE SESSION:

Mayor Donnelly requested a 40-minute executive session to discuss non-elected personnel.

MOTION: *Clasen* moved to enter executive session for 40 minutes to discuss non-elected personnel.
Fitzmier seconded. Motion declared carried.

Council entered executive session at 8:00 pm and reconvened the regular meeting at 8:40 pm. No action was taken.

MOTION: *Clasen* moved to re-enter executive session for 30 minutes to discuss non-elected personnel.
Fitzmier seconded. Motion declared carried.

Council re-entered executive session at 8:40 pm and reconvened the regular meeting at 9:10 pm. No action was taken.

ADJOURNMENT:

With no further business before the Council,

MOTION: *Reid* moved to adjourn.
Stivers seconded. Motion declared carried.
Meeting adjourned.

Respectfully submitted by:

Jocelyn Reid, City Clerk

**MINUTES – REGULAR MEETING
MAIZE PARK AND TREE BOARD
Tuesday, May 10, 2016**

The Maize Park and Tree Board met in a regular meeting at 5:30 pm, Tuesday, May 10th, 2016 with *Chair Jennifer Herington* presiding. Board members present were *Secretary Marina Fulton, Hugh Nicks, Nancy Scarpelli, and Joshua Belcher. Vice-Chair Dennis Wardell and Patrick Atchison* were absent.

Also present was: *Richard LaMunyon*, City Administrator and *Jolene Graham*, Recording Secretary.

APPROVAL OF AGENDA:

The Agenda was submitted for Board approval.

MOTION: *Scarpelli* moved to approve the agenda with the addition of “Arboretum” as an item added to New Business.
Nicks seconded. Motion declared carried.

APPROVAL OF THE APRIL 12TH, 2016 MINUTES:

The Park and Tree Board Meeting Minutes of April 12th, 2016 were submitted for approval.

MOTION: *Nicks* moved to approve the minutes.
Fulton seconded. Motion declared carried.

MONARCH BUTTERFLY WAYSTATION

Discussion was held regarding additional soil amendments for the Monarch Butterfly Waystation Project. Scarpelli offered to research the cost. Staff will move forward on securing the additional soil amendments and then contact board members for a planting date and time. Additionally, Secretary Fulton will send a thank you card to Westlake Ace Hardware for their donation on behalf of the board.

RECEIVE AND FILE ADDITION TO THE INTRODUCTION AND EXISTING SECTION OF THE MASTER PARK PLAN

Discussion was held regarding the revisions submitted by Scarpelli to the introduction and existing section of the Master Park Plan for board member review.

MOTION: *Belcher* moved to receive and file the New Master Park Plan first section revisions.
Fulton seconded. Motion declared carried.

ARBORITUM

Board members discussed the health of the trees located in the City's Arboretum. Some of the trees have sunken and the roots need to be uncovered. It appears that one tree has died and needs to be removed. Staff will respond to these issues.

ADJOURNMENT:

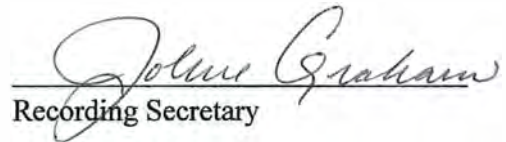
With no further business before the Board:

MOTION: *Nicks* motioned to adjourn.
Scarpelli seconded. Motion declared carried.

Meeting adjourned at 6:31 pm

Approved by the Park and Tree Board on July 12 2016.


Park and Tree Board Member


Recording Secretary

CITY OF MAIZE

Bank Reconciliation Report

For June 2016

Fund Balances

FUND	NAME	BEGIN PERIOD	RECEIPTS	DISBURSEMENTS	END PERIOD
01	General Fund	\$ 454,838.55	\$ 778,618.12	\$ 380,382.06	\$ 853,074.61
02	Street Fund	145,337.26	23,471.50	32,916.72	135,892.04
04	Capital Improvements Fund	309,773.67	41,066.74	326,597.53	24,242.88
05	Long-Term Projects	(897,561.22)	-	10,424.73	(907,985.95)
10	Equipment Reserve Fund	66,839.53	22,488.49	51,767.06	37,560.96
11	Police Training Fund	987.49	417.00	-	1,404.49
12	Municipal Court Fund	19,012.93	3,311.73	450.00	21,874.66
16	Bond & Interest Fund	799,363.29	666,925.34	-	1,466,288.63
19	Wastewater Reserve Fund	137,621.26	3,000.00	-	140,621.26
20	Wastewater Treatment Fund	629,845.78	80,062.52	73,403.25	636,505.05
21	Water Fund	428,152.27	70,546.10	73,692.88	425,005.49
22	Water Reserve Fund	128,148.81	3,000.00	-	131,148.81
23	Water Bond Debt Reserve Fund	268,000.00	-	-	268,000.00
24	Wastewater Bond Debt Reserve Fund	147,800.09	-	-	147,800.09
32	Drug Tax Distribution Fund	2,404.57	-	-	2,404.57
38	Cafeteria Plan	5,121.52	-	262.90	4,858.62
98	Maize Cemetery	162,092.42	5,923.16	2,797.60	165,217.98
Totals All Fund		\$ 2,807,778.22	\$ 1,698,830.70	\$ 952,694.73	\$ 3,553,914.19

Bank Accounts and Adjustments

Halstead Checking Account	\$ 345,122.02	\$ 1,988,400.81	\$ 1,992,725.02	\$ 340,797.81
Outstanding Items				\$ (104,337.02)
Halstead Bank Money Market Account	2,451,486.65	1,100,748.77	400,000.00	3,152,235.42
Maize Cemetery CD 85071	91,025.31		-	91,025.31
Maize Cemetery Operations	71,067.11	5,923.16	2,797.60	74,192.67
Totals All Banks	\$ 2,958,701.09	\$ 3,095,072.74	\$ 2,395,522.62	\$ 3,553,914.19

CITY OF MAIZE
Cash and Budget Position
Thru June 30, 2016

FUND	NAME	BEGINNING	MONTH	MONTH	END MONTH	ANNUAL	YTD	YTD	REMAINING	REMAINING
		CASH BALANCE	RECEIPTS	DISBURSEMENTS	CASH BALANCE	EXPENSE BUDGET	REVENUE	EXPENSE	EXPENSE BUDGET	BUDGET PERCENTAGE
01	General Fund	\$ 454,838.55	\$ 778,618.32	\$ 380,382.06	\$ 853,074.81	\$ 3,369,786.00	\$ 2,360,850.48	\$ 1,896,965.76	\$ 1,472,820.24	43.71%
02	Street Fund	145,337.26	23,471.50	32,916.72	135,892.04	294,100.00	150,176.10	165,273.77	128,826.23	43.80%
04	Capital Improvements Fund	309,773.67	41,066.74	326,597.53	24,242.88	665,000.00	245,562.94	573,771.34	91,228.66	13.72%
05	Long-Term Projects	(897,561.22)	-	10,424.73	(907,985.95)	-	-	626,360.61		
10	Equipment Reserve	66,839.53	22,488.49	51,767.06	37,560.96	230,000.00	118,423.35	195,425.50	34,574.50	15.03%
11	Police Training Fund	987.49	417.00	-	1,404.49	2,000.00	1,908.00	1,772.50	227.50	11.38%
12	Municipal Court Fund	19,012.93	3,311.73	450.00	21,874.66	-	12,651.13	7,935.56		
16	Bond & Interest Fund	799,363.29	666,925.34	-	1,466,288.63	2,552,350.00	1,698,679.39	460,085.67	2,092,264.33	81.97%
19	Wastewater Reserve Fund	137,621.26	3,000.00	-	140,621.26	-	18,000.00	10,764.68		
20	Wastewater Treatment Fund	629,845.78	80,062.52	73,403.25	636,505.05	714,000.00	422,955.22	384,998.60	329,001.40	46.08%
21	Water Fund	428,152.27	70,546.10	73,692.88	425,005.49	769,500.00	402,777.51	411,299.36	358,200.64	46.55%
22	Water Reserve Fund	128,148.81	3,000.00	-	131,148.81	-	18,000.00	-	-	
23	Water Bond Debt Reserve Fund	268,000.00	-	-	268,000.00	-	-	-		
24	Wastewater Bond Debt Reserve Fund	147,800.09	-	-	147,800.09	-	-	-		
32	Drug Tax Distribution Fund	2,404.57	-	-	2,404.57	-	-	-		
38	Cafeteria Plan	5,121.52	-	262.90	4,858.62	-	5,805.93	6,227.02		
98	Maize Cemetery	162,092.42	5,923.16	2,797.60	165,217.98	161,706.00	22,544.46	14,572.33	147,133.67	90.99%
Report Totals		\$ 2,807,778.22	\$ 1,698,830.90	\$ 952,694.73	\$ 3,553,914.39	\$ 8,758,442.00	\$ 5,478,334.51	\$ 4,755,452.70	\$ 4,654,277.17	53.14%



Proclamation of the Mayor

TO THE CITIZENS OF THE CITY OF MAIZE:

WHEREAS, The Shrine Bowl of Kansas, Inc. sponsored by the five Shrine Centers of Kansas, will sponsor their 43rd Annual All-Star Football Game on July 30, 2016 in Emporia, Kansas, and continue their tradition of philanthropy; and

WHEREAS, For over 90 years the Ancient Arabic Order of the Nobles of the Mystic Shrine of North America, through its network of hospitals, has treated over 865,000 children with orthopedic disabilities, and in more recent years, treated thousands of severely burned children through its Burn Institute; and

WHEREAS, The citizens of the great City of Maize may aid this worthy and impartial work and further the efforts of this great charity in their support of their philanthropic event to favor these children in need, regardless of race and creed, and

WHEREAS, in recognition that one of our own citizens, Jeremy Luck, a selected All-Star player from Maize South High School, will be participating in this 43rd Annual Shrine Bowl Football Game:

NOW, THEREFORE, I, Clair Donnelly, Mayor of the City of Maize, do hereby proclaim July 30, 2016, as

Kansas All-Star Football Shrine Bowl Day

in the City of Maize and urge all citizens to join in this observance.

Dated this 18th Day of July, 2016.

BY THE MAYOR:

Clair Donnelly

**MAIZE CITY COUNCIL
REGULAR MEETING
MONDAY, JULY 18, 2106**

AGENDA ITEM #8A

**ITEM: PROPOSED SPECIAL ASSESSMENTS – EAGLES NEST
 PHASE 2A & MAIZE INDUSTRIAL PARK**

BACKGROUND:

The City has completed infrastructure improvements (water, sewer, paving) in the Maize Industrial Addition and in the Eagles Nest Addition. We anticipate issuing bonds to permanently finance these projects in September, at the same time as (and as a part of) a bond issue refunding the city's Series 2011 G.O. Bonds.

The costs of the projects mentioned above are to be paid by special assessments upon the benefiting property owners. Before levying assessments, state law requires the city to hold a hearing allowing property owners to comment on proposed assessments. Tonight's action will schedule the hearing for the August city council meeting.

FINANCIAL CONSIDERATIONS:

Larry Kleeman (Financial Advisor) prepared a spreadsheet (attached) summarizing the project costs and the proposed assessments to be levied on the properties in the benefit districts. The proposed costs/assessments include the construction, engineering and administrative costs of the projects. Special assessment billings will begin with December 2017 tax bills.

LEGAL CONSIDERATIONS:

Kim Bell (Bond Counsel) has prepared documents calling for a public hearing on the proposed assessments at the August 15 council meeting. Documents include: *Exhibit A* - Statement of Final Costs; *Exhibit B* - Assessment Roll Certification; *Exhibit C* - Notice of Public Hearing; *Exhibit D* - Form of Notice of Hearing and Statement of Cost Proposed to be Assessed.

RECOMMENDED MOTION:

Move to:

1. Approve each of said documents;
2. Schedule a public hearing on August 15;
3. Publish the Notice of Public Hearing
4. Mail the notice to each property owner; and
5. Make the same available for public inspection.

MAIZE INDUSTRIAL ADDITION

		Res. 566-14		Res. 565-14, 571-15	
		Sanitary Sewer		Water Dist.	
Construction		\$	51,830.25	\$	49,078.75
Engineering		\$	9,600.00	\$	9,600.00
Admin/Legal/Fiscal		\$	8,186.30	\$	7,995.31
Final Cost		\$	69,616.55	\$	66,674.06
<u>Property Description</u>		<u>Fraction</u>	<u>Proposed Assessment</u>	<u>Fraction</u>	<u>Proposed Assessment</u>
Maize Industrial Addition					
<u>Block</u>	<u>Lot</u>				
A	1	0.4535	\$31,571.10	0.2783	\$18,555.39
A	2	0.3647	\$25,389.16	0.2238	\$14,921.65
A	3	0.1818	\$12,656.29	0.1116	\$7,440.83
Unplatted				0.3863	\$25,756.19

FOR REFERENCE ONLY

ESTIMATED Monthly Specials for <u>20 years @ 3.25%</u>	If you choose to prepay, total assessment <u>amount is:</u>
\$289.56	\$50,126.49
\$232.86	\$40,310.81
\$116.09	\$20,097.12
\$148.78	\$25,756.19

EAGLES NEST ADDN

Res. 545-14, 556-14

Res. 546-14, 555-14

Res. 547-14

Construction	\$ 80,166.00	\$ 382,085.00	\$ 118,164.60
Engineering	\$ 16,100.00	\$ 53,600.00	\$ 32,600.00
Admin/Legal/Fiscal	\$ 8,972.31	\$ 37,866.81	\$ 15,102.29
Final Cost	\$ 105,238.31	\$ 473,551.81	\$ 165,866.89

FOR REFERENCE ONLY

Property Description		Proposed Assessment		Proposed Assessment		Proposed Assessment		ESTIMATED Monthly Specials for 20 years @ 3.00%	If you choose to prepay, total assessment amount is:
Block	Lot	Fraction	Assessment	Fraction	Assessment	Fraction	Assessment		
Eagles Nest Addition									
B	10	0.032258065	\$3,394.78	0.032258065	\$15,275.86			\$107.85	\$18,670.64
B	11	0.032258065	\$3,394.78	0.032258065	\$15,275.86			\$107.85	\$18,670.64
B	12	0.032258065	\$3,394.78	0.032258065	\$15,275.86			\$107.85	\$18,670.64
B	13	0.032258065	\$3,394.78	0.032258065	\$15,275.86			\$107.85	\$18,670.64
B	14	0.032258065	\$3,394.78	0.032258065	\$15,275.86			\$107.85	\$18,670.64
B	15	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
B	16	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
B	17	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
B	18					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	19					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	20					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	23					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	24					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	25					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	26					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	27					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	28					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	29					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	30					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	31					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	32					0.017241379	\$2,859.77	\$16.52	\$2,859.77
B	33					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	1	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
C	2	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
C	3	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
C	4	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
C	5	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
C	6					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	7					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	8					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	9					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	10					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	11					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	12					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	13					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	14					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	15					0.017241379	\$2,859.77	\$16.52	\$2,859.77
C	16	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
C	17	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
C	18	0.032258065	\$3,394.78	0.032258065	\$15,275.86	0.017241379	\$2,859.77	\$124.37	\$21,530.41
C	19	0.032258065	\$3,394.78	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.43
C	20	0.032258065	\$3,394.78	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.43
C	21	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
C	22	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
C	23	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
C	24	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	24	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	25	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	26	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	27	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	28	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	29	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	30	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	31	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	32	0.032258065	\$3,394.79	0.032258065	\$15,275.87	0.017241379	\$2,859.78	\$124.37	\$21,530.44
D	33					0.017241379	\$2,859.78	\$16.52	\$2,859.78
D	34					0.017241379	\$2,859.78	\$16.52	\$2,859.78
D	35					0.017241379	\$2,859.78	\$16.52	\$2,859.78
D	36					0.017241379	\$2,859.78	\$16.52	\$2,859.78
D	37					0.017241379	\$2,859.78	\$16.52	\$2,859.78
D	38					0.017241379	\$2,859.78	\$16.52	\$2,859.78
D	39					0.017241379	\$2,859.78	\$16.52	\$2,859.78
D	40					0.017241379	\$2,859.78	\$16.52	\$2,859.78

EXHIBIT A-1

CITY OF MAIZE, KANSAS

**MAIZE INDUSTRIAL ADDITION – WATER DISTRIBUTION SYSTEM IMPROVEMENTS
RESOLUTION NOS. 565-14; 571-15**

STATEMENT OF FINAL COSTS

CONSTRUCTION	\$49,078.75
ENGINEERING	9,600.00
ADMIN/LEGAL/FISCAL	<u>7,995.31</u>
<i>TOTAL</i>	<i>\$66,674.06</i>

EXHIBIT A-2

CITY OF MAIZE, KANSAS

**MAIZE INDUSTRIAL ADDITION – SANITARY SEWER IMPROVEMENTS
RESOLUTION NO. 566-14**

STATEMENT OF FINAL COSTS

CONSTRUCTION	\$51,830.25
ENGINEERING	9,600.00
ADMIN/LEGAL/FISCAL	<u>8,186.30</u>
<i>TOTAL</i>	<u>\$69,616.55</u>

EXHIBIT A-3

CITY OF MAIZE, KANSAS

**EAGLES NEST ADDITION PHASE 2a- WATER IMPROVEMENTS
RESOLUTION NOS. 545-14; 556-14**

STATEMENT OF FINAL COSTS

CONSTRUCTION	\$80,166.00
ENGINEERING	16,100
ADMIN/LEGAL/FISCAL	<u>8,972.31</u>
<i>TOTAL</i>	<u><i>\$105,238.31</i></u>

EXHIBIT A-4

CITY OF MAIZE, KANSAS

**EAGLES NEST ADDITION PHASE 2a- PAVING IMPROVEMENTS
RESOLUTION NOS. 546-14 & 555-14**

STATEMENT OF FINAL COSTS

CONSTRUCTION	\$382,085.00
ENGINEERING	53,600.00
ADMIN/LEGAL/FISCAL	37,866.81
<i>TOTAL</i>	<u><i>\$473,551.81</i></u>

EXHIBIT A-5

CITY OF MAIZE, KANSAS

**EAGLES NEST ADDITION PHASE 2a- SANITARY SEWER IMPROVEMENTS
RESOLUTION NO. 547-14**

STATEMENT OF FINAL COSTS

CONSTRUCTION	\$118,164.60
ENGINEERING	32,600.00
ADMIN/LEGAL/FISCAL	15,102.29
<i>TOTAL</i>	<u><i>\$165,866.89</i></u>

EXHIBIT B

ASSESSMENT ROLL CERTIFICATION

The undersigned having been designated by the City of Maize, Kansas (the "City"), to determine the amounts of the respective assessments and to prepare the proposed Assessment Roll therefor in connection with certain internal improvements heretofore authorized by the governing body hereby reports that each and all of said respective assessments have been determined to be as shown on the Schedule(s) attached hereto and made a part hereof by reference as though fully set out herein.

Dated July 18, 2016.

CITYCODE FINANCIAL, LLC

By _____

SCHEDULE I

[SEE ATTACHED SPREADSHEET]

EXHIBIT C

(Published in the *Clarion*, on July 21, 2016)

NOTICE OF PUBLIC HEARING

TO: RESIDENTS OF THE CITY OF MAIZE, KANSAS

You and each of you are hereby notified that the governing body of the City of Maize, Kansas (the "City") will meet for the purpose of holding a public hearing, as provided by K.S.A. 12-6a01 *et seq.*, at 10100 Grady Avenue, Maize, Kansas, on August 15, 2016, at 7:00 p.m., or as soon thereafter as may be heard. Said public hearing is for the purpose of hearing any and all oral or written objections to proposed assessments in connection with the following described improvements:

Project No. 1 – Maize Industrial Addition – Water Distribution System Improvements

Resolution Nos. 565-14; 571-15

Construction of a water distribution system, including necessary water mains, pipes, valves, hydrants and appurtenances,

Property Description:

Maize Industrial Addition

Lots 1 – 3

Unplatted Tract:

Southwest Quarter of the Southeast Quarter Section 13, Township 26 South, Range 2 West, Maize, Sedgwick County, Kansas.

Cost of Improvements:

\$66,674.06.

100% to be assessed against the Improvement District and 0% to be paid by the City-at-large

Project No. 2 – Maize Industrial Addition – Sanitary Sewer Improvements

Resolution No. 566-14

Construction of a lateral sanitary sewer

Property Description:

Maize Industrial Addition

Lots 1 – 3

Cost of Improvements:

\$69,616.55.

100% to be assessed against the Improvement District and 0% to be paid by the City-at-large

Project No. 3 – Eagles Nest Addition Phase 2a – Water Improvements

Resolution Nos. 545-14; 556-14

Construction of a water distribution system, including necessary water mains, pipes, valves, hydrants, meters and appurtenances thereto.

Property Description:

Eagles Nest Addition.

Lots 10 – 17, Block B

Lots 1 – 5, Block C

Lots 16 – 24 Block C

Lots 24 – 32, Block D

Cost of Improvements:

\$105,238.31

100% to be assessed against the Improvement District and 0% to be paid by the City-at-large

Project No. 4 – Eagles Nest Addition Phase 2a – Paving Improvements

Resolution Nos. 546-14; 555-14

Paving on Wilkinson from the east line of Cassie, east to the east line of Lot 17, Block B; on Cassie from the south line of Wilkinson, south to the north line of Sondra; on Sondra from the west line of Cassie, east to the east line of Lot 32, Block D; on Wilkinson Ct. (Lots 10 through 17, Block B), from the north line of Wilkinson, north to and including the cul-de-sac; and on Wilkinson Ct. (Lots 16 through 24, Block C) from the south line of Wilkinson, south to and including the cul-de-sac; sidewalks on one side of Wilkinson, Cassie and Sondra

Property Description:

Eagles Nest Addition.

Lots 10 – 17, Block B

Lots 1 – 5, Block C

Lots 16 – 24 Block C

Lots 24 – 32, Block D

Cost of Improvements:

\$473,551.81

100% to be assessed against the Improvement District and 0% to be paid by the City-at-large

Project No. 5 – Eagles Nest Addition Phase 2a – Sanitary Sewer Improvements

Resolution No. 547-14

Construction of a sanitary sewer

Property Description:

Eagles Nest Addition.

Lots 15 – 20 Block B

Lots 23 – 33 Block B

Lots 1 – 24, Block C

Lots 24 – 40, Block D

Cost of Improvements:

\$165,866.89

100% to be assessed against the Improvement District and 0% to be paid by the City-at-large

An Assessment Roll prepared in accordance with the referenced Resolution(s) approved by the governing body is on file in the Office of the City Clerk and may be examined by any interested party. At the conclusion of the public hearing, the governing body will consider an Ordinance levying such special assessments.

DATED July 18, 2016.

/s/Jocelyn Reid, City Clerk

EXHIBIT D

**NOTICE OF HEARING
AND
STATEMENT OF COST PROPOSED TO BE ASSESSED**

July 21, 2016
City of Maize, Kansas

Property Owner:

You are hereby notified, as owner of record of the property described on **Schedule I** attached hereto, that there is proposed to be assessed against said property, certain amounts for the costs of certain internal improvements (the "Improvements") heretofore authorized by the governing body of the City of Maize, Kansas (the "City"). The description of the Improvements, the resolution number authorizing the same and the proposed amount of assessment are set forth on **Schedule I** attached hereto.

You are hereby further notified that the governing body of the City will meet on August 15, 2016, at 7:00 p.m., at 1010 Grady Avenue, Maize, Kansas 67101, for the purpose of considering the proposed assessments.

The proposed Assessment Roll is on file in my office for public inspection. **WRITTEN OR ORAL OBJECTIONS TO THE PROPOSED ASSESSMENTS WILL BE CONSIDERED AT SAID PUBLIC HEARING.**

At the conclusion of the public hearing, the governing body of the City will consider an ordinance levying such special assessments. A subsequent Notice of Assessment will be mailed to affected property owners at that time indicating that each property owner may pay the assessment in whole or in part by August 30, 2016. Any amount not so paid within the time period prescribed will be collected in 19 annual installments, beginning in 2018, together with interest thereon at the rate obtained by the City for its general obligation bonds issued to finance the costs of the Improvements.

Jocelyn Reid, City Clerk

SCHEDULE I

**[PROJECT NAME] - [TYPE OF IMPROVEMENT]
RESOLUTION NO. _____**

Description of Property	Amount of Proposed Assessment

CERTIFICATE OF MAILING

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

The undersigned, City Clerk of the City of Maize, Kansas (the "City"), does hereby certify that on July 21, 2016 I caused to be mailed to each and all of the owners of property affected thereby, at their last known post office address, a Notice of Public Hearing and Statement of the Cost Proposed to be Assessed in connection with certain improvements in the City.

A sample copy of the form of such Notice of Hearing and Statement of Cost Proposed to be Assessed is attached hereto.

WITNESS my hand and seal as of July 21, 2016.

(Seal)

Jocelyn Reid, City Clerk

[attach sample copy of form]

**MAIZE CITY COUNCIL
REGULAR MEETING
MONDAY, JULY 18, 2016**

AGENDA ITEM #8B

ITEM: HOLIDAY INN EXPRESS REFINANCING (SERIES A 2010 INDUSTRIAL REVENUE BONDS)

BACKGROUND:

The City has previously issued its Taxable Industrial Revenue Bonds, Series A, 2010 (Holiday Inn Express Project). The hotel is leased to Maize Hotel, LLC and the Bonds are owned by Maize Hotel, LLC. However, Rose Hill Bank provided financing to Maize Hotel, LLC for construction of the hotel.

Maize Hotel, LLC desires to refinance its loans with Rose Hill Bank by entering into a mortgage loan with USB Real Estate Securities, Inc. ("UBS"). In connection with this mortgage loan, UBS is requesting that the City subordinate its interest in the hotel and the Bond documents to UBS, as lender.

Maize Hotel, LLC, has provided notice that concurrently with the closing on the refinancing it will redeem all but \$5,000 of the outstanding Bonds. In addition, Rose Hill Bank will resign as the City's fiscal and paying agent for the Bonds in favor of Security Bank of Kansas City.

FINANCIAL CONSIDERATIONS:

There is no financial liability placed on the City. The City retains its ability to terminate the ad valorem tax abatement and transient guest tax rebate granted to Maize Hotel, LLC in the event the lender forecloses on its interest in the property.

LEGAL CONSIDERATIONS:

Kim Bell (Bond Counsel) has prepared the resolution authorizing the subordination documents and the appointment of Security Bank of Kansas City as the fiscal and paying agent for the Bonds.

RECOMMENDED MOTION:

Approve the resolution authorizing execution and delivery of the Subordination Agreements; appointing Security Bank of Kansas City as successor fiscal and paying agent, and authorizing the partial redemption and payment of the Bonds.

RESOLUTION NO. _____

RESOLUTION OF THE GOVERNING BODY OF THE CITY OF MAIZE, KANSAS, CONSENTING TO THE DELIVERY OF CERTAIN SUBORDINATION AGREEMENTS IN CONNECTION WITH THE CITY'S TAXABLE INDUSTRIAL REVENUE BONDS, SERIES A, 2010 (HOLIDAY INN EXPRESS PROJECT); APPOINTING A SUCCESSOR FISCAL AND PAYING AGENT RELATING TO SUCH BONDS; AUTHORIZING THE PARTIAL REDEMPTION AND PAYMENT OF SUCH BONDS.

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

WHEREAS, the City issued its Taxable Industrial Revenue Bonds, Series A, 2010 (Holiday Inn Express Project) in the aggregate principal amount of not to exceed \$5,300,000 (the "Bonds"), pursuant to a Bond Agreement dated as of November 30, 2010 (the "Bond Agreement") among the City, Rose Hill Bank, as fiscal and paying agent, and Maize Hotel, LLC, a Kansas limited liability company, as tenant and owner of the Bonds (the "Company"), for the purpose of acquiring, constructing and equipping a hotel project (the "Project"); and

WHEREAS, the Project was leased by the City to the Company pursuant to a Lease Agreement dated as of November 30, 2010 (the "Lease Agreement"), by and between the City, as landlord, and the Company, as tenant; and

WHEREAS, the Company desires to enter into a mortgage loan (the "Loan") with UBS Real Estate Securities Inc., a Delaware corporation (the "Lender") to refinance the Project and obtain additional financing for improvements to the Project; and

WHEREAS, the Lender is willing to enter into the Loan only if the City executes and delivers the following documents as additional security for payment of the Loan:

A. Subjection of Fee to Mortgage Instrument, Amendment to Lease Agreement and Subordination of Bond Documents (the "Subjection Agreement") among the City, the Lender, the Company, and the City's fiscal and paying agent under the Bond Agreement (the "Fiscal Agent"), pursuant to which the City agrees to subject its fee interest in the Project to the lien, terms and conditions of the Loan documents such that the Lender shall have a valid first mortgage lien encumbering the City's fee title to the Project;

B. Ground Lease Estoppel Certificate and Agreement (the "Estoppel Agreement") among the City, the Company and the Fiscal Agent, pursuant to which the City acknowledges that the Company shall mortgage its leasehold estate in the Project and agrees that Lender or another third party may acquire title to the leasehold estate pursuant to a foreclosure sale or deed in lieu of foreclosure;

C. Pledge, Assignment and Subordination Agreement (the "Pledge Agreement") among the Company, the City, the Fiscal Agent, and the Lender, pursuant to which the City agrees to subordinate the

Bonds and the documents executed in connection with the issuance of the Bonds to the Loan documents;
and

WHEREAS, the Company, as owner of 100% of the outstanding Bonds, has consented to the execution and delivery of the Subjection Agreement, the Estoppel Agreement and the Pledge Agreement (collectively, the “Subordination Agreements”); and

WHEREAS, the City finds that the Loan by the Lender will result in the improvement of the Project and therefore desires to authorize the execution and delivery of the Subordination Agreements;

WHEREAS, in connection with the refinancing of the Project, Rose Hill Bank has resigned as fiscal and paying agent under the Bond Agreement; and

WHEREAS, in accordance with the provisions of Section 5(s) of the Bond Agreement, the Issuer desires to appoint Security Bank of Kansas City as successor fiscal and paying agent under the Bond Agreement and the Company has consented to such appointment; and

WHEREAS, in connection with the refinancing of the Project, the Company has requested that the Bonds be redeemed in part on a redemption date on or about July 25, 2016 (the “Redemption Date”); and

WHEREAS, owners of 100% of the outstanding Bonds have consented to such partial redemption and payment of the Bonds on the Redemption Date.

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

Section 1. Consent to Subordination Agreement. The Governing Body of the City hereby consents to the execution and delivery of the Subordination Agreements in substantially the form presented this date.

Section 2. Appointment of Successor Fiscal and Paying Agent. The Governing Body of the City hereby appoints Security Bank of Kansas City as successor fiscal and paying agent for the Bonds.

Section 3. Partial Redemption of Bonds. The Governing body of the City hereby approves the partial redemption of the Bonds in accordance with the notice provided by the Company.

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

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

ADOPTED by the Governing Body of the City of Maize, Kansas, this 18th day of July, 2016

CITY OF MAIZE, KANSAS

By: _____
Mayor

[SEAL]

ATTEST:

City Clerk

ASSIGNMENT

THIS ASSIGNMENT, made as of July 18, 2016 by Rose Hill Bank, a banking corporation organized under the laws of the State of Kansas ("Assignor") to Security Bank of Kansas City, a banking corporation organized under the laws of the State of Kansas ("Assignee");

WITNESSETH:

WHEREAS, Assignor entered into a certain Bond Agreement dated as of November 30, 2010 (the "Bond Agreement") with the City of Maize, Kansas (the "Issuer") and Maize Hotel, LLC (the "Tenant") in connection with the issuance of the Issuer's Taxable Industrial Revenue Bonds, Series A, 2010 (Holiday Inn Express Project) (the "Bonds"); and

WHEREAS, Assignor has resigned its duties as fiscal and paying agent pursuant to Section 5(s) of the Bond Agreement; and

WHEREAS, the governing body of the Issuer has by resolution acknowledged the resignation of Assignor as fiscal and paying agent under the Bond Agreement and has formally designated and appointed Assignee to serve as successor fiscal and paying agent under the Bond Agreement; and

WHEREAS, the Assignee has consented to serve as successor fiscal and paying agent under the Bond Agreement and has executed its formal acceptance and delivered its acceptance as required in Section 5(s) of the Bond Agreement;

NOW, THEREFORE, Assignor hereby assigns to Assignee all of its right, title and interest in all assets held by Assignor as trustee under the Bond Agreement. Assignor further assigns and transfers to Assignee all trusts, powers, rights, obligations, duties, remedies, immunities and privileges as fiscal and paying agent under the Bond Agreement.

It is the intention of Assignor that this Assignment shall extend to and be effective to assign to Assignee all assets held by it as fiscal and paying agent under the Bond Agreement, including but not limited to funds on hand and deposited in various accounts, evidences of indebtedness representing the investment of such funds, insurance policies and all accounts, books and records of any nature which have been prepared and maintained by Assignor which relate in any manner to such assets and to the Bonds.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]

ROSE HILL BANK
Wichita, Kansas

[SEAL]

By: _____
Name: Cuy Mauck
Title: EVP/Director of Commercial Lending

ACKNOWLEDGMENT

STATE OF KANSAS)
):ss
COUNTY OF SEDGWICK)

This instrument was acknowledged before me on July ____, 2016 by Cuy Mauck, EVP/Director of Commercial Lending of Rose Hill Bank, Wichita, Kansas.

Notary Public

(SEAL)

My Appointment Expires: _____

ACCEPTANCE OF TRUST

Security Bank of Kansas City hereby accepts its appointment by the City of Maize, Kansas as successor fiscal and paying agent under the Bond Agreement dated as of November 30, 2010 among the City of Maize, Kansas, as Issuer, Maize Hotel, LLC, as Tenant, and Rose Hill Bank as fiscal and paying agent, entered into in connection with the issuance of the City of Maize, Kansas Taxable Industrial Revenue Bonds, Series A, 2010 (Holiday Inn Express Project) (the "Bonds").

The undersigned accepts all trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor fiscal and paying agent, Rose Hill Bank.

The undersigned further certifies that it is duly organized under the banking laws of the State of Kansas and is qualified to accept such trust.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by a duly authorized trust officer to be effective July 18, 2016

SECURITY BANK OF KANSAS CITY

By: _____
Name:
Title:

[Company Letterhead]

July 12, 2016

Jocelyn Reid, City Clerk
City of Maize, Kansas
10100 Grady Avenue
P.O. Box 1567
Maize, Kansas 67101

Rose Hill Bank, as fiscal and paying agent
107 N. Rose Hill Road
Wichita, Kansas 67133

Re: City of Maize, Kansas
Taxable Industrial Revenue Bonds, Series A, 2010
(Holiday Inn Express Project)

Ladies and Gentlemen:

The referenced bonds (collectively, the "Bonds") are subject to optional redemption and payment, in whole or in part, at any time upon our instructions to the City of Maize, Kansas, as Issuer (the "Issuer"). Maize Hotel, LLC, hereby instructs the Issuer to call for redemption \$5,295,000 of the Bonds on or about July 25, 2016. The owners of 100% of the outstanding Bonds have consented to such redemption and payment.

Very truly yours,

MAIZE HOTEL, LLC, a limited liability company,
as Tenant

By: Maize Hotel SPE, Inc., a Kansas corporation,
its Manager

By: 
Minhas Ladiwalla, President

This document was prepared by
and after recording should be returned to:

Cassin & Cassin LLP
711 Third Avenue, 20th Floor
New York, New York 10017
Attention: Thomas R. Lansen, Esq.

GROUND LEASE ESTOPPEL CERTIFICATE AND AGREEMENT

RE: Lease dated November 30, 2010, by and between **CITY OF MAIZE, KANSAS**, an incorporated city of the third class duly organized and existing under the laws of the State of Kansas, as landlord (“**Landlord**”) and **MAIZE HOTEL, LLC**, a Kansas limited liability company, as tenant (“**Tenant**”), a notice of which was recorded on December 6, 2010 with the Sedgwick County, Kansas Register of Deeds as Document Number 29186881, (the “**Ground Lease**”), covering certain real property located in the City of Maize, Sedgwick County, Kansas and described in Exhibit “A” attached hereto and made a part hereof (“**Property**”). Further, Landlord and Tenant have also entered into that certain Agreement for Payment in Lieu of Tax dated November 30, 2010 (the “**PILOT Agreement**”) and Transient Guest Tax Agreement by and between the City and the Borrower, dated November 30, 2010 (the “**Guest Tax Agreement**”); together with the PILOT Agreement and the Ground Lease, the “**Ground Lease Documents**”).

THIS GROUND LEASE ESTOPPEL CERTIFICATE AND AGREEMENT is executed and delivered by Landlord, and joined and acknowledged by Tenant, and Paying Agent (as hereinafter defined), with the expectation that it will be delivered to **UBS REAL ESTATE SECURITIES INC.** and **UBS AG**, by and through its branch office at 1285 Avenue of the Americas, New York, New York (collectively, and together with their respective successors and/or assigns, “**Lender**”) in connection with that certain loan (“**Loan**”) to be made by Lender to Tenant and its affiliate as co-borrowers, pursuant to the terms of that certain Loan Agreement (as same may be modified, amended, supplemented or restated from time to time, the “**Loan Agreement**”) between Tenant and Lender dated as of July ____ 2016, which Loan will be secured by, among other things, a Leasehold Mortgage, Assignment of Leases and Rents and Security Agreement (as same may be modified, amended, supplemented or restated from time to time, the “**Mortgage**”) encumbering, among other things, Tenant’s interest in the Property, including, without limitation,

Tenant's interest in the Property under the Lease Agreement and with the recognition that Lender will rely upon the contents hereof in closing and consummating the Loan. Tenant joins in this instrument for the purpose of acknowledging and agreeing to the terms and provisions hereof, together with **SECURITY BANK OF KANSAS CITY**, a state banking corporation organized under the laws of the State of Kansas, as fiscal and paying agent ("**Paying Agent**") under that certain Bond Agreement dated November 30, 2010 between Landlord, Tenant and Rose Hill Bank, as predecessor-in-interest to Paying Agent, and as holder of that certain Assignment of Lease and Security Agreement dated November 17, 2010, made by Landlord in favor of Paying Agent, and recorded on December 6, 2010 with the Sedgwick County, Kansas Register of Deeds as Document Number 29166884 (the "**Bond Documents**").

Landlord, Tenant and Paying Agent hereby certify, declare and agree with and for the benefit of Lender as follows:

1. Ground Lease. Landlord is the owner of the fee estate in the Property and pursuant to the terms of the Ground Lease, Landlord has leased to Tenant and Tenant has leased from Landlord, the Property and the improvements thereon. The Ground Lease Documents are in full force and effect in accordance with its terms and, other than as set forth above, has not been modified, supplemented or amended, orally or in writing. To Landlord's, Tenant's and Paying Agent's actual knowledge (without investigation), respectively, no default has occurred under the Ground Lease Documents and no condition exists which, but for the passage of time, the giving of notice, or both, would constitute a default under the terms of the Ground Lease Documents. Except for the Ground Lease Documents, there are no agreements between Landlord and Tenant in any way concerning the subject matter of the Ground Lease Documents or the occupancy or use of the Property, except as set forth on Exhibit "B" hereto. The interests of the Landlord and Tenant have not been assigned, except as set forth above. To Landlord's, Tenant's and Paying Agent's knowledge, respectively, no portion of the Property has been sublet.
2. No Defenses or Offsets by Landlord. Each of the obligations on Landlord's part to be performed to date under the Ground Lease Documents have been performed. To Landlord's, Tenant's and Paying Agent's actual knowledge (without investigation), respectively, as of the date hereof all conditions and obligations under the Ground Lease Documents to be satisfied or performed by Tenant have been satisfied or performed. As of the date hereof, Landlord does not assert, and, to Landlord's, Tenant's and Paying Agent's actual knowledge (without investigation), respectively, is not entitled to assert, any claim against Tenant or any defense to or offset against the enforcement of the Ground Lease Documents by Tenant.
3. Lease Term. No Purchase Right: Options. The term of the Ground Lease Documents commenced on November 30, 2010, and are scheduled to terminate on December 1, 2021 (subject to the Tenant's rights of extension noted in the following sentences). Tenant does not have any rights to renew, extend or terminate the Ground Lease, except for one (1) option to extend the term of the Ground Lease for five (5) years as provided in the Ground Lease. Landlord acknowledges and agrees that from and after the date hereof Tenant's (or any other party on behalf of or through Tenant, including, without limitation, Paying Agent)

exercise of any rights of first refusal, right to terminate the Ground Lease or rights to purchase any portion of the Property shall not be effective unless consented to in writing by Lender. Landlord acknowledges and agrees that, pursuant to the terms of the Mortgage, the Loan Agreement and other documents executed by Tenant in connection with the Loan, Lender shall, under certain circumstances, be entitled to exercise all rights and benefits of Tenant under the Ground Lease, and Landlord shall accept the exercise of such rights by Lender without further consent from Tenant. Landlord shall have no duty to inquire or determine whether Tenant's duties to Lender are in default or whether Lender is entitled, under any separate agreement among Lender, Tenant and/or Paying Agent, to give such instructions. Landlord and Paying Agent shall be fully entitled to rely upon such instructions or demands from Lender (or its designee) even if such instructions are contrary to any instructions or demands that Tenant may give Landlord.

4. Rent. No rent (including, without limitation, Basic Rent (as defined in the Lease) or additional rent) under the Ground Lease is past due from Tenant and no rent beyond the current month has been paid in advance by Tenant. The Basic Rent payable under the Ground Lease is calculated in accordance with Appendix C of the Ground Lease. The basic rent under the Ground Lease is equal to the principal and interest payments required to pay all principal and interest on all Outstanding Bonds (as defined in the Bond Agreement) and is required to be paid in annual installments on December 1 of each year of the term of the Ground Lease, plus any amount payable as "additional rent" under the Ground Lease (such sums, collectively, the "**Rent**"). There are no other rents, additional rents or other charges due and payable under the Ground Lease other than the Rent.
5. Deposits. Tenant does not make any type of escrow deposits with Landlord, and Landlord does not hold any type of deposit from Tenant (for security or otherwise).
6. No Bankruptcy. No bankruptcy proceedings, whether voluntary or otherwise, are pending, or to Landlord's actual knowledge (without investigation), threatened, against Landlord.
7. Fee Encumbrances. Other than in connection with the Loan and pursuant to that certain Subjection of Fee to Mortgage Instrument, Amendment to Lease Agreement and Subordination of Bond Documents by and among Landlord, Lender, Tenant, and Paying Agent, dated on or about July __, 2016, Landlord has not assigned, conveyed, transferred, sold, encumbered or mortgaged its interest in the Ground Lease or the Property and there are currently no mortgages, deeds of trust, deed to secure debt or other security interests encumbering Landlord's fee interest in the Property and, other than the Tenant under the Ground Lease, no third party has an option or preferential right to purchase all or any part of the fee interest in the Property. Landlord agrees that shall not mortgage, sell, assign, transfer, convey or otherwise encumber, pledge or dispose of the Property or any portion thereof (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration), unless required by law, without the express written consent of Lender, except that Lender will not withhold its consent to a transfer of Landlord's interest in the Property to Tenant upon expiration of the term of the Lease so long as Borrower has satisfied the requirements of the Loan Agreement in connection therewith, and Landlord agrees to duly transfer to Borrower all of Landlord's right, title and

interest in and to the Property upon the expiration of the Lease in accordance with the terms thereof. Landlord has not entered into any agreement to subordinate the Ground Lease to any future mortgages, deeds of trust or other liens on the fee interest in the Property.

8. No Violations; Condemnation. Landlord has not received any written notice of any pending eminent domain proceedings or other governmental or judicial actions that could affect the Property. Landlord has not received any written notice that it is in violation of any law or governmental regulation applicable to the Property (including, but not limited to, any environmental law or the Americans with Disabilities Act) and has no reason to believe that there are grounds for any claim or such violation.

9. Notice and Cure Rights. Landlord and Paying Agent shall provide Lender with copies of all notices of termination, breach or default that are delivered to Tenant contemporaneously with the furnishing of such notices to Tenant and any other notices which are required to be sent to Tenant under the Ground Lease Documents or the Bond Documents. Landlord agrees that no notice given under the Ground Lease Documents shall be effective against Lender unless a copy has been delivered to Lender in accordance with the terms of this Section 9. Landlord shall not take any action to terminate the Ground Lease Documents or to prevent Tenant from exercising its option to purchase the Property pursuant to Section 17.1 of the Ground Lease, for any reason including, without limitation, as a result of a Tenant default, provided (a) Lender commences action (within thirty (30) days of the receipt of such notice) (i) to cure (or cause the cure) of the default or (ii) to foreclose upon the Property and (b) Lender diligently pursues with continuity such cure or foreclosure. Landlord acknowledges and agrees that the cure of certain defaults may require possession or control of the Property, and the exercise of rights and remedies under the Mortgage to obtain possession of the Property shall constitute diligent action by Lender to cure the default. Any non-monetary default which by its nature is not reasonably susceptible to being cured by Lender or any other third party who acquires title to the leasehold estate under the Ground Lease Documents pursuant to a foreclosure sale or a deed in lieu of foreclosure shall be waived by Landlord upon such foreclosure or deed in lieu thereof and payment in full of any and all sums owed to Landlord through the date of such foreclosure or assignment in lieu thereof. Any notice, demand, request, or other instrument given by Landlord to Lender shall be delivered to Lender at the address specified below or to such other address(es) as Lender may from time to time designate in a written notice to Lender:

UBS Real Estate Securities Inc.
1285 Avenue of the Americas
New York, NY 10019
Attention: Henry H Chung

And to:

UBS AG
1285 Avenue of the Americas
New York, NY 10019
Attention: Henry H Chung

with a copy to:

Cassin & Cassin LLP
711 Third Avenue, 20th Floor
New York, New York 10017
Attention: Thomas R. Lansen, Esq.
Facsimile No. (212) 557-2952

10. Leasehold Mortgage. Tenant shall have the right to encumber its leasehold interest in the Property under the Mortgage or through any other security instrument in favor of Lender and the granting of the Mortgage from Tenant to Lender is hereby consented to by Landlord. The parties hereto acknowledge and agree that Lender constitutes a leasehold mortgagee, and shall have any and all of the rights provided to any leasehold mortgagee under the Ground Lease. Landlord acknowledges that the leasehold mortgagee's address for notice purposes shall be that of the Lender as set forth in this instrument, as the same may be changed by Lender from time to time by written notice to Landlord. Tenant shall have the right to assign and transfer the Ground Lease Documents to the holder of the Mortgage without first obtaining Landlord's consent (including pursuant to a foreclosure sale or a deed in lieu of foreclosure). If Lender or another third party (the "**Acquiring Party**") acquires title to the leasehold estate under the Ground Lease Documents pursuant to a foreclosure sale or a deed in lieu of foreclosure, said Acquiring Party shall be recognized and considered as the tenant under the Ground Lease Documents and shall have all of the rights and benefits of the tenant thereunder. The Acquiring Party shall have the right to assign and transfer the Ground Lease Documents without first obtaining Landlord's consent; provided, however, that any such assignment shall be effective only upon assumption by the assignee of all obligations and liabilities of the tenant thereafter accruing under the Ground Lease Documents and the payment to Landlord of all obligations under the Ground Lease Documents accrued as of the date of such transfer or assignment (excluding any indemnification obligations of any predecessor tenant which obligations shall remain the sole obligations of such predecessor tenant). Upon any transfer or assignment of the Ground Lease Documents by the Acquiring Party, assumption of all obligations and liabilities of the tenant thereafter accruing under the Ground Lease Documents, and payment to Landlord of all obligations under the Ground Lease Documents accrued as of the date of such transfer or assignment, the Acquiring Party shall be automatically released and discharged from all liability thereafter accruing under the Ground Lease Documents (excluding indemnification obligations arising during the Acquiring Party's ownership of title to the leasehold estate under the Ground Lease, which obligations shall survive any such transfer or assignment). In no event shall Landlord's right to receive Rent under the Ground Lease be affected by any assignment and assumption of the tenant's interest in the Ground Lease Documents. In addition, Landlord acknowledges and agrees that at any time during the term of the Ground Lease and for 120 days thereafter, at the option of Tenant, Tenant may elect to purchase the Property and Landlord shall be obligated to sell and transfer to Tenant for (1) the full amount which is required to provide the Landlord and the Paying Agent with funds sufficient, in accordance with the Bond Agreement (as defined in the Ground Lease), to pay at maturity or to redeem

and pay in full (A) the principal of all of the Outstanding Bonds (as defined in the Bond Agreement) (B) all interest due thereon to date of maturity or redemption, whichever first occurs, and (C) all costs, expenses and premiums incident to the redemption and payment of said Bonds (as defined in the Bond Agreement) in full, plus \$100.00, all of Landlord's right, title and interest in, to and under the Ground Lease and the Property and, notwithstanding anything contained in the Ground Lease to the contrary, Landlord hereby waives any conditions or restrictions to such sale and transfer under the Ground Lease (including, without limitation, any consent or approval rights that Landlord may have under the Ground Lease in connection therewith).

11. Assignment of Bonds. Landlord, Tenant and Paying Agent acknowledge and agree that the Bonds have been assigned to Lender as additional security for the Loan, together with all rights of the Paying Agent with respect to the Ground Lease. Landlord, Tenant and Paying Agent agree that Lender shall have and may exercise all rights of a leasehold mortgagee under the Ground Lease.
12. New Lease with Lender. If the Ground Lease shall terminate for any reason, including, but not limited to, as a result of a rejection of the Ground Lease in connection with a bankruptcy proceeding), Landlord will enter into a new lease with Lender or its designee in substantially the same form as the Ground Lease, provided that Lender or its designee, as applicable, as tenant under the new lease shall not be required to cure or remedy any condition that Tenant was obligated to cure or remedy under the Ground Lease if to do same is not reasonably practical. Any such new Ground Lease shall be prior and superior to any then-existing mortgage, deed of trust and/or security deed on the fee interest in the Property. Landlord hereby confirms with respect to the new ground lease referred to in this Section 12 that, should Lender (or its designee) become the tenant under a new Ground Lease: (i) title to all improvements owned by Tenant, situate on the Property shall automatically vest in Lender, and (ii) Landlord shall promptly assign to Lender any space leases, subleases and sub-subleases under which the tenants have attorned, with consent of Lender, to Landlord.
13. No Amendment: Termination. Landlord and Tenant shall not modify or amend any of the terms or provisions of the Ground Lease Documents, terminate or cancel the Ground Lease Documents, offer or accept a surrender thereof or permit the rights of Tenant under the Ground Lease Documents to be waived, unless the prior written approval of Lender has been obtained. Landlord agrees that no termination, cancellation, surrender, amendment, restatement, modification or subordination of or waiver of any of Tenant's rights under, the Ground Lease Documents shall be effective, or binding on Lender, without its prior written consent.
14. Personal Property and Subleases Subordinate. Landlord's interest, if any, in and to any personal property owned by Tenant and located at the Property and any subleases or sub-subleases entered into by Tenant or Subtenant for all or any portion of the Property and the rents, issues and profits therefrom, and its interest in the improvements located on the Property, are and shall remain subordinate to the lien of the Mortgage.

15. Sale of Loan. Lender may at any time, without the consent of Landlord, Tenant, Paying Agent or any other party sell, assign, participate or securitize all or any portion of Lender's rights and obligations under the Mortgage, and that any such sale, assignment, participation or securitization may be to one or more financial institutions or other entities, to private investors, and/or into the public securities market, in Lender's sole discretion. This Ground Lease Estoppel Certificate and Agreement shall be binding upon Landlord, Tenant and Paying Agent and their respective successors and assigns and shall inure to the benefit of Lender and its successors and assigns, including, without limitation, each and every owner and holder of the Loan, each person who, pursuant to proceedings to enforce the Mortgage or conveyance in lieu of such proceedings, may succeed to Tenant's interest under the Ground Lease Documents, and each person who may thereafter acquire Tenant's interest under the Ground Lease Documents by purchase or otherwise. Landlord will deliver to Lender or other requested party a Ground Lease Estoppel Certificate and Agreement substantially in the form hereof and with such modifications as needed to state correctly the then-existing facts, from time to time promptly upon Lender's written request.

16. Lender's Liability. Notwithstanding anything to the contrary contained in the Ground Lease Documents, if Lender or any Acquiring Party shall succeed to the interest of Tenant under the Ground Lease Documents, Lender and such Acquiring Party shall have no personal liability as successor to Tenant, and Landlord shall look only to the estate and property of Lender and such Acquiring Party in the Property or the proceeds thereof for the satisfaction of Landlord's remedies for the collection of a judgment requiring the payment of money in the event of any default under the Ground Lease Documents. Notwithstanding anything to the contrary contained in the Ground Lease Documents and except as set forth in Section 10 above and in this Section 16, Lender or any Acquiring Party shall not be liable to Landlord for any liability or obligation of Tenant or Subtenant under the Ground Lease Documents unless and until Lender or such Acquiring Party shall take title to the Property, and thereafter, upon the assignment, sale or other transfer by Lender or such Acquiring Party of its interest as tenant under the Ground Lease Documents, Lender and such Acquiring Party shall be released from liability under the Ground Lease Documents as of the effective date of such assignment, sale or transfer, provided that the assignee agrees to be bound by the terms and conditions of the Ground Lease Documents, as modified hereby.

17. Casualty/Condemnation. In the event of a casualty or condemnation to the Property, the terms and conditions of the Mortgage, the Loan Agreement and the documents evidencing and/or securing the Loan shall govern, control and prevail in regard to settlement, receipt and application of insurance proceeds and condemnation awards. No settlements, negotiations or agreements relating to casualty or condemnation claims or other matters shall be effective, or binding on Lender, unless agreed to in writing by Lender. The parties acknowledge and agree that this provision modifies and amends Article XVIII of the Ground Lease and shall be binding on the parties and their successors and assigns.

18. Construction/Repairs. To Landlord's knowledge, all construction obligations under the Lease have been completed and the Completion Date (as defined in the Lease) has occurred. To Landlord's actual knowledge (without investigation), there are no repairs or

improvements at the Property which have not been paid in full. To Landlord's knowledge (without investigation), there are no outstanding or unresolved claims or actions against any suppliers, contractors, subcontractors or sureties for materials, supplies or services affecting the Property.

19. Miscellaneous. Landlord hereby agrees that Lender shall have the right, pursuant to the terms of the Ground Lease, to exercise any option to renew the term of the Ground Lease if the Tenant shall fail to exercise any such option. Landlord hereby covenants and agrees that Lender shall be entitled to participate in any arbitration proceeding pursuant to the Ground Lease. Landlord agrees not to disturb the possession of any subtenants or sub-subtenants under subleases or sub-subleases so long as such subtenants and sub-subtenants do not violate any terms of the Ground Lease. The captions of the sections of this instrument are for convenience only and shall not have any interpretive meaning. This instrument, including the joinder hereto, may be executed and delivered in separate counterparts, which together shall constitute a single instrument. To the extent that there are any conflicts between the terms of this instrument and the Ground Lease, the terms of this instrument shall control.
20. Recording. This instrument may be recorded in the applicable recording office in the County and State in which the Property is located.
21. Rights of Paying Agent. Reference is made to that certain Pledge, Assignment and Subordination Agreement dated as of July [], 2016 and among Paying Agent, Tenant, Landlord and Lender (the "*PASA*"). Notwithstanding anything to the contrary contained herein, the provisions of the *PASA* shall remain in full force and effect.
22. Incentive Agreements. Notwithstanding anything in this Ground Lease Estoppel Certificate and Agreement to the contrary, should the Lender, an Acquiring Party, or any other person or entity other than the Tenant become the tenant under the Ground Lease without the prior written consent of the Landlord, or should any such party fail to comply with the terms and provisions of the Agreement for Payment in Lieu of Taxes referenced on Exhibit B hereto, any abatement, in whole or in part, of real property taxes still in effect with respect to the Property shall be terminated and the Transient Guest Tax Agreement referenced on Exhibit B hereto shall be terminated.
23. Indemnity. As among Fee Owner, Paying Agent and Tenant only, Tenant shall indemnify, defend and hold Landlord and Paying Agent harmless from and against any and all claims, costs, liabilities, damages and expenses that Landlord or Paying Agent may incur, directly or indirectly, arising out of or relating to this Agreement. Such indemnification shall include reasonable attorneys' fees and expenses incurred by the Landlord or Paying Agent, including but not limited to those incurred in defense of any foreclosure action and/or in the enforcement of this indemnification, and shall survive the expiration or termination of the Ground Lease.
24. Pursuant to the PILOT Agreement, the total amount of payments in lieu of *ad valorem* property taxes with respect to the Property due and payable by the Borrower for the tax year

2015 was \$0. Pursuant to the PILOT Agreement, the total amount of payments in lieu of *ad valorem* property taxes with respect to the Property due and payable by the Borrower for the tax year 2016 is \$0.

25. Pursuant to the Guest Tax Agreement, the total amount of the rebate to the Borrower with respect to a portion of the Guest Taxes paid with respect to the Property for the tax year 2015 was 6% of the gross rental receipts on the hotel, less any administrative fees, interest or penalties charged by the Kansas Department of Revenue. Pursuant to the Guest Tax Agreement, the total amount of the rebate to the Borrower with respect to a portion of the Guest Taxes paid with respect to the Property for the tax year 2016 is 6% of the gross rental receipts on the hotel, less any administrative fees, interest or penalties charged by the Kansas Department of Revenue.
26. The payments in lieu of taxes, as contemplated in the PILOT Agreement, due and payable for the tax year 2015 were \$0.00. The payments in lieu of taxes, as contemplated in the PILOT Agreement, due and payable for the tax year 2016 are \$0.00.
27. The Transient Guest Tax rebate, as contemplated in the Guest Tax Agreement, due and payable to Borrower for the tax year 2015 was \$[_____].

[Signatures on following pages]

IN WITNESS WHEREOF, the undersigned has executed this Ground Lease Estoppel Certificate and Agreement to be executed as of the ____ day of July, 2016.

Signed, sealed and delivered
in the presence of:

Witness

Notary Public

My commission expires:

LANDLORD:

CITY OF MAIZE, a
municipal corporation

By: _____
Name:
Title:

[SIGNATURE APPEARS ON FOLLOWING PAGE]

JOINDER AND ACKNOWLEDGMENT

Tenant and Paying Agent join in the execution and delivery of this Ground Lease Estoppel Certificate and Agreement for the purposes of evidencing their agreement and acknowledgment to the terms and provisions hereof and to represent to Lender that the terms and provisions hereof are binding and enforceable obligations against such parties. Paying Agent is executing and delivering this Ground Lease Estoppel Certificate and Agreement solely in its capacity as Paying Agent under the Bond Agreement. Neither Paying Agent, in its individual capacity, or Tenant shall incur any pecuniary liability hereunder.

Signed, sealed and delivered
in the presence of:

TENANT:

MAIZE HOTEL, LLC, a Kansas limited liability
company

Witness

Notary Public

By: _____

Name:

My commission expires:

Title:

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Signed, sealed and delivered
in the presence of:

Witness

Notary Public

My commission expires:

PAYING AGENT:

SECURITY BANK OF KANSAS CITY, a state
banking corporation organized under the laws of the state
of Kansas, not in its individual capacity, but solely in its
capacity as Paying Agent under the Bond Agreement

By: _____

Name:

Title:

[SIGNATURE APPEARS ON FOLLOWING PAGE]

The foregoing instrument is acknowledged and accepted by Lender as of the date first set forth above.

Signed, sealed and delivered
in the presence of:

Witness

Notary Public

My commission expires:

Witness

Notary Public

My commission expires:

LENDER:

UBS REAL ESTATE SECURITIES INC., a
Delaware corporation

By: _____

Name:

Title:

By: _____

Name:

Title:

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B

ADDITIONAL DOCUMENTS BETWEEN LANDLORD AND TENANT

1. Warranty Deed, dated as of November 30, 2010.

This document was prepared by
and after recording should be returned to:

Cassin & Cassin LLP
711 Third Avenue, 20th Floor
New York, New York 10017
Attention: Thomas R. Lansen, Esq.

**SUBJECTION OF FEE TO MORTGAGE INSTRUMENT, AMENDMENT TO LEASE
AGREEMENT AND SUBORDINATION OF BOND DOCUMENTS**

THIS SUBJECTION OF FEE TO MORTGAGE INSTRUMENT, AMENDMENT TO LEASE AGREEMENT AND SUBORDINATION OF BOND DOCUMENTS (the “**Instrument**”) is made by the City of Maize, Kansas, a municipal corporation (the “**Fee Owner**”), to and for the benefit of USB Real Estate Securities Inc. a Delaware corporation, having an address at 1285 Avenue of the Americas, New York, New York 10019 (together with its successors and assigns, collectively, the “**Lender**”), and is consented to by Maize Hotel, LLC, a Kansas limited liability company (“**Tenant**”) and Security Bank of Kansas City, a state banking corporation organized under the laws of the State of Kansas, as fiscal agent and payment agent (“**Agent**”), as of July ____, 2016.

RECITALS

1. Fee Owner is the owner in fee simple absolute of the real property and improvements thereon known as 10750 W. Hampton Lakes Street, in the City of Maize, Kansas as more particularly described on **Exhibit A** attached hereto and made a part hereof by this reference (the “**Premises**”).

2. Fee Owner, as landlord, and Tenant, as tenant, have executed that certain Lease Agreement dated as of November 30, 2010 (the “**Lease**”) with respect to the Premises, which Lease is evidenced of record by that certain Notice of Lease dated November 30, 2010, a notice of which was recorded on December 6, 2010 with the Sedgwick County, Kansas Register of Deeds as Document Number 29186881 (“**Notice of Lease**”), and which Lease was assigned by Fee Owner to Rose Hill Bank, predecessor-in-interest to Agent, pursuant to that certain Assignment of Lease and Security Agreement dated as of November 17, 2010 and recorded on December 6, 2010 at the Sedgwick County, Kansas Register of Deeds as Document Number 29186884 (the “**Assignment of Lease**”).

3. Tenant desires to obtain a mortgage loan in the approximate amount of \$11,600,000.00 (the “**Loan**”) from the Lender, and Tenant has or will execute the following instruments:
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A. Promissory Note from Tenant to Lender (the “**Note**”); and

B. Leasehold Mortgage, Assignment of Leases and Rents and Security Agreement from Tenant to Lender, dated as of July ____, 2016, which will be recorded immediately prior hereto (together with any renewals, extensions, modifications or increases thereof, collectively, the “**Mortgage**”), which Mortgage secures the debt evidenced by the Note and encumbers Tenant’s interest in the Premises, including but not limited to Tenant’s interest in the Lease (as more particularly described in the Mortgage, and hereinafter the “**Tenant’s Interest**”);

C. Loan Agreement between Lender and Tenant (the “**Loan Agreement**”), which, together with this Instrument, the Note, and the Mortgage, shall hereinafter collectively be referred to as the “**Loan Documents**”.

4. Lender is unwilling to make the Loan to Tenant unless and until Lender obtains additional security for payment of the Note. It is a condition precedent to the making of the Loan that Fee Owner subject its Fee Interest (as hereinafter defined) to the lien and encumbrance of the Mortgage, such that the Fee Interest stands as security for the payment and performance of Tenant’s obligations, monetary and otherwise, under the Loan Documents (collectively, the “**Obligations**”).

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

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

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

1. The Fee Interest. The term “**Fee Interest**” means all of Fee Owner’s right, title, estate and interest in and to the Premises, including, without limitation, the following.

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

B. all statutory, common law and contractual rights and liens, if any, at law and equity, that the Fee Owner has or is entitled to as landlord under, pursuant to, or as a result of the Lease (excluding the rights of the Fee Owner pursuant to the Lease to indemnification, to consent, to receive notice, in connection with the Lease), including but not limited to, the right to receive Basic Rent (as such term is defined in the Lease) and any additional rent (collectively, “**Rent**”);

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- C. all after-acquired interests in the Premises, if any;
- D. all buildings and improvements now or hereafter constructed on the Premises, if any, to the extent that Fee Owner has or will have any interest therein; and
- E. all rights to condemnation awards and insurance proceeds relating to the Premises.

2. Encumbering of the Fee Interest.

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

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

(ii) all of the terms, conditions and provisions of the Mortgage (unless specifically excepted in this Instrument) and the Loan Documents shall be deemed incorporated herein by reference and shall hereinafter apply to, affect and govern the Fee Interest;

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

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

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

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

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

D. Fee Owner hereby assigns all of its right, title and interest in and to the Rent to the Lender, subject to a license back to Fee Owner and/or Agent to receive and collect the Rent, which license shall automatically terminate upon the occurrence of a default beyond any applicable grace and cure period under the Mortgage and/or the Loan Documents.

E. Fee Owner hereby waives all rights of redemption in the event of a foreclosure sale pursuant to the terms of the Mortgage.

3. Amendment to Lease. For purposes of effectuating the foregoing, notwithstanding anything to contrary contained in the Lease, the Lease is hereby amended to allow the foregoing encumbrance, which
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amendment is consented to and agreed upon by Tenant, as tenant under the Lease and as sole owner of the Bonds (as defined in the Lease), Fee Owner, and Agent, as Agent under the Bond Agreement (as defined in the Lease), as evidenced by their signatures below.

4. Amendment to Bond Agreement. In connection with the making of the Loan, Tenant desires to pledge and assign the Bonds to Lender pursuant to a certain Pledge, Assignment and Subordination Agreement (the “**Bond Pledge**”) to be dated on or about the date hereof as additional security for Tenant’s obligations under the Loan Documents. Notwithstanding anything to the contrary contained in the Bond Agreement or any other Bond Documents (as hereinafter defined), Fee Owner and Agent hereby consent to such Bond Pledge and to the extent any provisions of the Bond Agreement or other Bond Documents are inconsistent therewith or prohibit such a conveyance, they are hereby amended to allow the foregoing Bond Pledge without further action or consent; *provided, however*, that the Bonds shall not be transferred except in compliance with the applicable provisions of the Securities Act of 1933, as amended, and applicable State of Kansas (the “**State**”) securities laws, or in a transaction exempt from the application of federal and State securities laws.

5. Limitation on Fee Owner’s Liability. Neither Fee Owner nor Agent shall be personally liable for the payment or performance of any of the Obligations. No judgment for money deficiencies, if any, shall be sought against or obtained from Fee Owner or Agent. Fee Owner’s and Agent’s liability under this Instrument and the Mortgage shall be limited solely to the Fee Interest. This paragraph 3 shall govern any contrary provision in this Instrument.

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

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

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

C. As regards the Lender’s rights and remedies under the Loan Documents, with respect to the Fee Interest, Fee Owner and Agent are and shall be deemed a principal, not a surety, with respect to the Loan.

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

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shall survive the foreclosure of the Fee Interest and/or Tenant's Interest, and the expiration or termination of the Lease.

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

7. Subordination of Bond Documents. The Bond Agreement dated November 30, 2010 (as defined as the "**Bond Agreement**" in the Lease), Lease, leasehold estate created by Lease, as evidenced by the Notice of Lease, and all other documents executed in connection with the issuance of the Bonds, exclusive of the Agreement for Payment in Lieu of Taxes dated as of November 30, 2010 between the Fee Owner and the Tenant and the Transient Guest Tax Agreement dated as of November 30, 2010 between the Fee Owner and the Tenant (collectively, the "**Bond Documents**") are and will remain subject and subordinate to the lien of the Mortgage, including any and all renewals, modifications, consolidations, replacements and extensions thereof, and all of Lender's rights under the Loan Documents. Notwithstanding the foregoing or anything in this Instrument to the contrary, should any person or entity (other than Tenant) become the tenant under the Lease without the prior written consent of Fee Owner, in its sole discretion, or should any such party fail to comply with the terms and provisions of the Agreement for Payment in Lieu of Taxes referenced above, any abatement, in whole or in part, of real property taxes still in effect with respect to the Premises shall be terminated and the Transient Guest Tax Agreement referenced above shall be terminated.

8. No Obligation to Oversee Disbursements. Lender has no obligation or duty, legal or equitable to oversee the application of the Loan proceeds towards the improvement of the Premises, or to undertake or complete such improvements, if any. Such obligation(s), if any, shall be the sole responsibility of Tenant. Lender has made no representation that it will oversee the application of the Loan proceeds in any manner. The failure, if any, of Tenant to apply the Loan proceeds to improvements to the Premises or as otherwise provided in the Loan Documents shall not be a defense to the enforcement of this Instrument and the foreclosure of the Mortgage against the Fee Interest. Fee Owner waives any claims or defenses it may have, if any, at law or in equity, against Lender and Lender's enforcement of the Mortgage arising out of or in connection with the foregoing. Fee Owner will not oversee the application of any of the Loan proceeds.

9. Notice to Fee Owner and Opportunity to Cure Defaults.

A. All notices given by Lender or Tenant under the Loan Documents shall also be given in the same manner to Fee Owner and Agent, to the following person(s) at the following addresses:

City of Maize
10100 Grady Avenue
P.O. Box 245
Maize, Kansas 67101
Attention: City Clerk

And:

Security Bank of Kansas City
701 Minnesota Avenue, Suite 206
P.O. Box 171297
Kansas City, Kansas 66117

{01158874;3}

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

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

D. At the option of Fee Owner, in its sole discretion, a default beyond any applicable notice and grace period by Tenant under the Mortgage or the Loan Documents (notwithstanding a cure, if any, of such Mortgage default by Fee Owner) shall also be deemed a default beyond any applicable notice and grace period by Tenant under the Lease.

10. Payment subordination.

A. Rent. Fee Owner subordinates its right to receive Rent or other payments from or on account of Tenant (pursuant to the Lease or otherwise) to the payments (principal, interest or otherwise) required to be made pursuant to the Loan Documents (to the Lender or as otherwise required by the Mortgage). If, and to the extent that there are insufficient funds to pay all such amounts as they become due, the payments required by the Loan Documents shall be paid prior to the payment of any Rent. Fee Owner shall neither request nor accept any payment(s) of any Rent if, and so long as, Fee Owner has notice that any amounts due and payable under the Loan Documents are outstanding.

B. Condemnation Awards and Insurance Proceeds. Fee Owner subordinates its rights (pursuant to the Lease or otherwise) to receive condemnation awards and insurance proceeds relating to the Premises to the rights of the Lender pursuant to the Loan Documents, and in the event of a casualty or condemnation to the Premises, the terms and conditions of the Mortgage, the Loan Agreement and the other Loan Documents evidencing and/or securing the Loan shall govern, control and prevail in regard to settlement, receipt and application of insurance proceeds and condemnation awards. For purposes of effectuating the foregoing, Article XVIII of the Lease is hereby amended to allow the foregoing subordination, which amendment is consented to and agreed upon by Tenant, Fee Owner, and Agent, as evidenced by their signatures below.

11. Miscellaneous.

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

B. This Instrument is self-operative. Upon execution and delivery of this Instrument, Fee Owner's subjection of the Fee Interest to the lien and encumbrance of the Mortgage is absolute, perfected, unconditional and irrevocably consummated. This Instrument is not executory in any manner. Notwithstanding the foregoing, at any time and from time to time, at the request of Lender or Tenant, Fee Owner shall execute, acknowledge and deliver such additional documentation (including but not limited to an additional mortgage evidencing the encumbering of the Fee Interest) as is reasonable and necessary to fulfill the intent and purpose of this Instrument.

C. This Instrument does not create or secure a new or further indebtedness or obligation other than the principal indebtedness or obligation secured by or which under any contingency may be secured {01158874;3}

by the Mortgage or the Loan Documents.

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

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

F. No modification or amendment of this Instrument or the Mortgage shall be made without the prior written consent of the Fee Owner, which consent shall not be unreasonably withheld, denied or delayed.

G. No modification or amendment of the Lease or any of the other Bond Documents shall be made without the prior written consent of the Lender, which consent shall not be unreasonably withheld, denied or delayed.

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

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

J. The terms and provisions of this Instrument shall be binding upon and shall inure to the benefit of all successors and assigns of the parties hereto.

K. The terms and provisions of this Instrument shall constitute covenants running with land.

L. The Instrument may be signed in one or more counterparts each of which shall be deemed to be an original and all of which shall constitute but one and the same Instrument.

M. If for any reason any provision or provisions of this Instrument shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

N. The terms and provisions of this Instrument shall be interpreted and enforced pursuant to the laws of the State of Kansas.

[The remainder of this page is intentionally left blank.]

{01158874;3}

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

City of Maize, Kansas

By: _____

(SEAL)

ATTEST:

By: _____
City Clerk

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF SEDGWICK)

BE IT REMEMBERED that on this ____ day of _____, 2016, before me, a notary public in and for said county and state, came _____, Mayor of the City of Maize, Kansas, a municipal corporation duly authorized, incorporated and existing under and by virtue of the Constitution and laws of the State of Kansas, and _____, City Clerk of said City, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

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

[SEAL]

Notary Public

My commission expires _____.

{01158874;3}

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

LENDER:

UBS REAL ESTATE SECURITIES INC., a
Delaware corporation

By: _____
Name:
Title:

By: _____
Name:
Title:

{01158874;3}

ACKNOWLEDGMENT

STATE OF NEW YORK)
 : SS.:
COUNTY OF NEW YORK)

The foregoing instrument was acknowledged before me this ____ day of _____, 2016 by _____ as _____ of **UBS REAL ESTATE SECURITIES INC.**, a Delaware corporation.

Printed Name: _____
Notary Public in and for said County and State
My commission expires:

[SEAL]

STATE OF NEW YORK)
 : SS.:
COUNTY OF NEW YORK)

The foregoing instrument was acknowledged before me this ____ day of _____, 2016 by _____ as _____ of **UBS REAL ESTATE SECURITIES INC.**, a Delaware corporation.

Printed Name: _____
Notary Public in and for said County and State
My commission expires:

[SEAL]

{01158874;3}

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

MAIZE HOTEL, LLC, a
Kansas limited liability company

By: _____

ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

BE IT REMEMBERED that on this _____ day of _____, 2016, before me, a notary public in and for said county and state, came _____, _____, of Maize Hotel, LLC, a Kansas limited liability company, who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said limited liability company, and such person duly acknowledged the execution of the same to be the act and deed of said limited liability company.

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

[SEAL]

Notary Public

My commission expires _____.

{01158874;3}

Agent hereby consents to the provisions above and the execution of this Instrument by Fee Owner and Tenant.

SECURITY BANK OF KANSAS CITY, a
state banking corporation organized under the
laws of the state of Kansas

By: _____
Name:
Title:

ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

BE IT REMEMBERED that on this _____ day of _____, 2016, before me, a notary public in and for said county and state, came _____, the _____ of SECURITY BANK OF KANSAS CITY, a state banking corporation organized under the laws of the state of Kansas, who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said banking corporation, and such person duly acknowledged the execution of the same to be the act and deed of said banking corporation.

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

[SEAL]

Notary Public

My commission expires _____.

{01158874;3}

EXHIBIT A
PROPERTY DESCRIPTION

{01158874;3}

**PREPARED BY AND
AFTER RECORDING RETURN TO:**

Cassin & Cassin LLP
711 Third Avenue, 20th Floor
New York, New York 10017
Attention: Thomas R. Lansen, Esq.

PLEDGE, ASSIGNMENT AND SUBORDINATION AGREEMENT

This **PLEDGE, ASSIGNMENT AND SUBORDINATION AGREEMENT** (“*Agreement*”) dated as of July ____, 2016 by and among **MAIZE HOTEL, LLC**, a Kansas limited liability company (“*Borrower*”), **CITY OF MAIZE, KANSAS**, an incorporated city of the third class duly organized and existing under the laws of the State of Kansas (“*City*”) and **SECURITY BANK OF KANSAS CITY**, a state banking corporation organized under the laws of the State of Kansas, not in its individual capacity but solely in its capacity as paying and fiscal agent under the Bond Agreement hereinafter described (“*Fiscal Agent*”), in favor of **UBS REAL ESTATE SECURITIES INC.** and **UBS AG**, by and through its branch office at 1285 Avenue of the Americas, New York, New York (collectively, and together with their respective successors and/or assigns, “*Lender*”).

RECITALS

A. This Agreement is being executed in connection with Lender’s agreement to make a secured loan (the “*Loan*”) to Borrower and an affiliate of Borrower’s (“*Affiliate*”), together as co-borrowers, in the original principal amount of up to **Eleven Million Six Hundred Thousand and No/100 Dollars (\$11,600,000.00)**. The Loan is being made pursuant to the terms of a Loan Agreement (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the “*Loan Agreement*”) of even date herewith, executed by Lender, Borrower and Affiliate. The Loan is evidenced by a certain Promissory Note (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the “*Note*”) of even date herewith, made by Borrower and Affiliate in favor of Lender and is secured by, among other things, a Leasehold Mortgage, Assignment of Leases and Rents and Security Agreement (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the “*Mortgage*”), also of even date herewith, executed by Borrower, to which the City has agreed to subject its fee simple interest in the Property pursuant to that certain Subjection of Fee to Mortgage Instrument, Amendment to Lease Agreement and Subordination of Bond Documents of even date herewith executed by the City, Borrower, Fiscal Agent, and Lender (the “*Subjection Agreement*”) (the Note, the Loan Agreement, this Agreement, the Mortgage, the Subjection Agreement, and all other documents executed in connection with or securing the Loan are collectively referred to as the “*Loan Documents*”), which Mortgage encumbers that certain real estate, improvements and other property consisting of, situated on or otherwise relating to the real estate described on **Exhibit**

A attached hereto and made a part hereof (the “**Property**”). All obligations, liabilities and indebtedness of Borrower to Lender, whether now existing or hereafter arising, whether created directly between Borrower and Lender or acquired by Lender by assignment, whether absolute or contingent, whether arising or accruing before or after the commencement of any bankruptcy, insolvency or receivership proceedings, and whether for principal, interest (including interest accruing after a bankruptcy petition is filed by or against Borrower, whether or not such interest is allowed), fees, costs, expenses or otherwise, including, without limitation, the Loan and all of the obligations and liabilities of the Borrower under the Loan Documents, are collectively referred to as the “**Debt**”.

B. Borrower is the legal and beneficial owner of 100% of the City of Maize, Kansas, Taxable Industrial Revenue Bonds Series A, 2010 (Holiday Inn Express Project), in the aggregate principal amount not to exceed \$5,300,000.00 (together with all certificates, options, rights or benefits of any nature whatsoever which now exist or hereunder may be issued or granted with respect thereto, are herein referred to as the “**Bonds**”). Borrower is the legal and beneficial owner of 100% of the Bonds.

C. The Bonds were issued by the City for the purpose of financing the acquisition and development of a hotel and related improvements on the Property (collectively, with the Property, the “**Project**”).

D. As a condition to the original issuance of the Bonds from the City to Borrower, the City acquired a fee interest in the Project pursuant to a Warranty Claim Deed by Borrower to City dated November 4, 2010 with respect to its fee interest in the Project.

E. Upon the sale of the Bonds by City to Borrower, the City leased the entire Project to Borrower pursuant to that certain Lease dated November 18, 2010 between the City, as lessor, and Borrower, as lessee (the “**City Lease**”).

F. [PENDING INFORMATION RE: ANY GUARANTY, AS REQUESTED BY CASSIN & CASSIN] In connection with the issuance of the Bonds, [Borrower] executed and delivered that certain [Guaranty Agreement] dated as of November 30, 2010 made by [Borrower] in favor of Fiscal Agent with respect to the Bonds (the “**Guaranty**”).

G. The Bonds are governed by that certain Bond Agreement dated as of November 30, 2010 between the City, Rose Hill Bank (as predecessor-in-interest to Fiscal Agent) as paying agent and fiscal agent, and Borrower (the “**Bond Agreement**”) and are secured by, among other things, that certain Assignment of Lease and Security Agreement dated November 17, 2010 made by the City in favor of Rose Hill Bank as predecessor-in-interest to Fiscal Agent, and recorded on December 6, 2010 2010 with the Sedgwick County, Kansas Register of Deeds as Document Number 29186884 (as the same may have heretofore or may hereafter be amended, restated, replaced, supplemented or otherwise modified from time to time the, “**Bonds Lease Assignment**”), encumbering the Project. The Bonds, the Bond Agreement, the Bonds Lease Assignment, the Guaranty, the City Lease and any other document or agreement evidencing or securing the Bonds, as the same may be amended from time to time, are herein collectively referred to as the “**Bond Documents**”.

H. It is a condition precedent to the Lender's execution and delivery of the Loan Documents and the transactions connected therewith that Borrower, City and Fiscal Agent execute and deliver this Agreement to the Lender in order to, among other things, subordinate the lien, if any, of the City or the Fiscal Agent in the Project to the lien and security interest of Lender and to assign and pledge the Bonds, the Bonds Lease Assignment and the other Bond Documents to Lender as additional security for the Loan.

NOW, THEREFORE, in consideration of One Dollar and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Lender to make the Loan, Borrower, City and Fiscal Agent hereby agree with Lender as follows:

1. Estoppel and Other Provisions Respecting Bond Documents. Fiscal Agent and the City (to the respective actual knowledge of each, without investigation) and Borrower hereby certify, declare, covenant and agree to the following for the benefit of Lender and its successors and assigns:

(a) Bond Documents. The Bonds, the Bond Agreement, the Guaranty, the Lease and the documents and agreements listed on **Exhibit B** attached hereto and made a part hereof constitute the only Bond Documents. The Bond Documents are in full force and effect and other than as set forth above, have not been modified, supplemented, or amended, orally or in writing. No default has occurred under the Bond Documents and to the knowledge of Borrower, Fiscal Agent and the City, respectively, no condition exists which, but for the passage of time, the giving of notice, or both, would constitute a default under the terms of the Bond Documents. Except for the Bond Documents, there are no agreements between or among the Fiscal Agent, the City and Borrower in any way concerning the Project or the Bonds. None of the interests of the parties under the Bond Documents have been assigned, except as set forth in the Bond Documents themselves and in the Recitals hereto.

(b) Bonds. The Bonds have been duly and validly issued by the City in accordance with the laws of the State of Kansas. No additional bonds have been requested by the City or the Borrower (other than the Bonds issued). There are currently no funds held in the Bond Fund (as defined in the Bond Agreement).

(c) No Defenses or Offsets. As of the date hereof, all conditions and obligations under the Bond Documents to be satisfied or performed by the Fiscal Agent, the City and Borrower have been satisfied or performed. As of the date hereof, none of the Fiscal Agent, the City nor the Borrower does assert, nor has the right to assert, any claim against the other party or any defense to or offset against the enforcement of the Bond Documents. All fees and expenses owing to the City or the Fiscal Agent under the Bond Documents have been paid. There are no on-going administration fees imposed by the City. The only on-going fees imposed by the Fiscal Agent is a \$1,000 annual administration fee. There are no administration fees to Fiscal Agent that are past due.

(d) No Bankruptcy. No bankruptcy proceedings, whether voluntary or otherwise, are pending, or to the Fiscal Agent's or Borrower's knowledge, threatened, against the Fiscal Agent.

(e) No Violations. Fiscal Agent has not received any written notice of any pending eminent domain proceedings or other governmental or judicial actions that could affect the Project, nor has Fiscal Agent received any written notice that the City or the Borrower is in violation of any law applicable to the Project (including, but not limited to, any environmental law or the Americans with Disabilities Act).

(f) No Amendment; Termination. Except as expressly set forth in Section 3(b) hereof, Fiscal Agent, City and Borrower agree not to modify or amend any of the terms or provisions of the Bond Documents or the City Lease, terminate or cancel the Bond Documents or the City Lease, offer or accept a surrender thereof or permit the rights of Borrower or the City under the Bond Documents or the City Lease to be waived, unless the prior written approval of Lender has been obtained. Fiscal Agent, City and Borrower agree that no termination, cancellation, surrender, amendment, restatement modification or subordination of, or waiver of any of Borrower's or City's rights under the Bond Documents or the City Lease shall be effective, or binding on Lender, without its prior written consent.

(g) No Successor/Resignation. Fiscal Agent shall not resign its position or appoint a successor fiscal agent under the Bond Documents without the written consent of Lender.

(h) Insurance and Condemnation Proceeds. So long as the Debt remains outstanding, the provisions of the Mortgage and the other Loan Documents shall govern the settlement, receipt, distribution or treatment of insurance proceeds and condemnation proceeds. No settlements, negotiations or agreements relating to casualty or condemnation claims or other matters shall be effective, or binding on Lender, unless agreed to in writing by Lender.

(i) Sale, Assignment and Transfer of the City Lease. Notwithstanding anything contained in the City Lease to the contrary, any sale of the City Lease and the leasehold estate thereunder in any proceedings for the foreclosure of the Mortgage, or the assignment or transfer of the City Lease and the leasehold created thereunder in lieu of foreclosure of the Mortgage shall be deemed to be a permitted sale, transfer or assignment of the City Lease and the leasehold estate thereunder.

2. Subordination of Interests. As a further inducement to Lender's agreement to make the Loan, City, Fiscal Agent and Borrower further agree as follows:

(a) Subordination. The City, Fiscal Agent and Borrower irrevocably and unconditionally covenant and agree that the City Lease, the Bonds, the Bonds Lease Assignment, the Bond Agreement, the Guaranty and the other Bond Documents (collectively, the "***Subordinate Documents***"), all liens and security interests in and security titles to the Property, the Project, the City Lease and any and all other property created or reserved under or existing by virtue of or in connection with the Subordinate Documents (collectively, the "***Subordinate Liens***") and all of the City's, the Borrower's and the Fiscal Agent's rights, interests, privileges and claims under the Subordinate Documents, including, without limitation, any rights to receive rents under the City Lease or payments upon the Bonds, but excluding the payment of Impositions (as such term is defined in the City Lease) and payments pursuant to the Agreement for Payment in Lieu of Taxes dated as of November 30, 2010 (collectively, the "***Subordinate Claims***"), shall be and hereby are intentionally and unconditionally made subordinate to the Debt, the Mortgage and the other Loan

Documents and the liens and security interests in and security titles to the Property, the Project, the City Lease and any and all other property created or reserved under or existing by virtue of or in connection with the Debt, the Mortgage and the other Loan Documents (collectively, the “**Senior Liens**”), and to all right, title, interests and claims of Lender in and to the Debt, the Mortgage and the other Loan Documents (collectively, the “**Senior Claims**”). The Mortgage and the other Loan Documents and the Senior Liens shall unconditionally be and at all times remain liens, security interests in and security titles to and charges on the Property, Project and other property encumbered thereby prior and superior to the Subordinate Documents, Subordinate Liens and Subordinate Claims (collectively, the “**Subordinate Obligations, Documents, Liens and Claims**”), and the Subordinate Obligations, Documents, Liens and Claims shall unconditionally be and all times remain subject and subordinate to the Debt, the Mortgage, the other Loan Documents, the Senior Liens and the Senior Claims (collectively, the “**Debt, Documents, Liens and Claims**”). Such subordination of the Subordinate Obligations, Documents, Liens and Claims to the Debt, Documents, Liens and Claims shall be effective notwithstanding any prior execution, delivery, creation and/or recordation of any of the Subordinate Obligations, Documents, Liens and Claims. In addition to, and without limiting, the foregoing, the City, Borrower and Fiscal Agent hereby postpone and subordinate payment of all of the Subordinate Obligations, Documents, Liens and Claims to the full and absolute payment of all of the Debt, Documents, Liens and Claims, and any and all such payments upon the Subordinate Obligations, Documents, Liens and Claims shall be and hereby are acknowledged and agreed to be prohibited. Such prohibition of payment of amounts constituting any Subordinate Obligations, Documents, Liens and Claims pursuant to this Agreement shall encompass any direct or indirect payment (whether in cash, property or securities or by way of set-off, counterclaim, or otherwise) by Borrower or any other individual or entity and any provision by or on behalf of Borrower or any other person or entity of any letter of credit, guaranty or surety obligation to provide for payment of the amounts constituting any Subordinate Obligations, Documents, Liens and Claims.

(b) Standstill and Other Covenants. Without the prior written consent of Lender, Borrower, City and Fiscal Agent shall not:

(i) receive or collect all or any part of the Subordinate Obligations, Documents, Liens and Claims; provided, however, that so long as no Event of Default has occurred and is continuing under the Mortgage or Loan Documents, City and Fiscal Agent may collect and receive fees and expenses from Borrower to which they are entitled to receive from Borrower under the Bond Documents;

(ii) obtain, acquire, realize or execute upon any collateral for the Subordinate Obligations, Documents, Liens and Claims;

(iii) declare a default under the Subordinate Obligations, Documents, Liens and Claims or sue upon, accelerate or enforce all or any part of the Subordinate Obligations, Documents, Liens and Claims, or commence legal proceedings or take any enforcement actions against the Borrower or any other person or entity with respect to the Subordinate Obligations, Documents, Liens and Claims, including, without limitation, any eviction, unlawful detainer, or other enforcement action under the City Lease, any foreclosure of the Bonds Lease Assignment or any other liens or security interests under the Bond Documents,

any suit or action for recovery of any amounts upon the Bonds, or any other enforcement of or realization or other action upon the Property or the Bonds;

(iv) commence or join with any other creditors of the Borrower in commencing any bankruptcy, reorganization, receivership or insolvency proceeding by or against the Borrower or consent to any bankruptcy, reorganization, receivership or insolvency proceeding by or against the Borrower;

(v) take or permit any action prejudicial to or inconsistent with Lender's priority position over the City and the Fiscal Agent that is created by this Agreement;

(vi) take, accept, ask for, sue for, receive, setoff or demand any payments upon the Subordinate Obligations, Documents, Liens and Claims; provided, however, that so long as no Event of Default has occurred and is continuing under the Mortgage or Loan Documents City and Fiscal Agent may collect and receive fees and expenses from Borrower to which they are entitled to receive from Borrower under the Bond Documents;

(vii) take, accept, ask for, sue for, receive, setoff or demand any advance, transfer, or assignment of assets from the Borrower in any form whatsoever that would reduce at any time or in any way the obligations constituting the Subordinate Obligations, Documents, Liens and Claims; provided, however, that so long as no Event of Default has occurred and is continuing under the Mortgage or Loan Documents City and Fiscal Agent may collect and receive fees and expenses from Borrower to which they are entitled to receive from Borrower under the Bond Documents;

(viii) take, accept, ask for, sue for, receive, setoff or demand any transfer of any assets of the Borrower as security for the Subordinate Obligations, Documents, Liens and Claims; provided, however, that so long as no Event of Default has occurred and is continuing under the Mortgage or Loan Documents City and Fiscal Agent may collect and receive fees and expenses from Borrower to which they are entitled to receive from Borrower under the Bond Documents; or

(ix) assign, convey, sell, hypothecate, transfer, pledge, encumber or otherwise dispose of its interest in any Subordinate Obligations, Documents, Liens and Claims, whether such interest be collateral in nature (e.g., pledges or grants of security interests), without the written consent of the Lender, which may be given or withheld in Lender's sole discretion.

3. Non-Cash Lease Payments/Bond Payments. The City, Borrower and Fiscal Agent acknowledge, represent, covenant and agree for the benefit of Lender and its successors and assigns as follows:

(a) The City, Borrower and Fiscal Agent acknowledge that pursuant to the City Lease:

(i) the Borrower, as lessee under the City Lease, is required on or before each December 1 in each year while the Bonds are outstanding, to cause payment to be paid directly to the Fiscal Agent, as the agent of the City as the issuer of the Bonds, pursuant to Section 3.1 of the Bond Agreement as rents for the Project a sum equal to the amount

payable on such date as principal of and interest on the Bonds. The payments required to be made under the City Lease and described in this subsection (i) are referred to herein as the “**Base Rent**”; and

(ii) the Borrower is required to pay to the Fiscal Agent so long as the Bonds are outstanding (A) at least once a year an amount equal to the annual fee of the Fiscal Agent in the amount of \$1,000.00 per annum (due on July 1 of each year) for the services of the Fiscal Agent rendered and incurred under the Bond Agreement, (B) the Additional Rent as provided in the Bond Agreement, as and when the same become due, and (C) payments required pursuant to the Agreement for Payment in Lieu of Taxes dated November 30, 2010. Pursuant to Sections 8.2 and 14.1 of the City Lease, the Borrower is required to indemnify the City and the Fiscal Agent in certain circumstances. The payments required to be made under the City Lease and described in this subsection (ii) are referred to herein as the “**Additional Rent Payments**”.

(b) The Borrower, in its capacity as lessee under the City Lease, the Borrower, in its capacity as owner of the Bonds, the Lender, the City and the Fiscal Agent hereby covenant and agree, for themselves and for their respective successors, assigns and transferees, that notwithstanding any to the contrary or inconsistent term, covenant or provision of the City Lease, the Bonds, the Bond Agreement or any of the other Bond Documents:

(i) all payments of Base Rent due under the City Lease shall be made by automatic offset, which may (but need not in order to be effective) be reflected by book-entry notations on the books and records of the Borrower, in its capacity as lessee under the City Lease, and the Borrower, its successors, assigns and transferees, in their respective capacities as owner of the Bonds, and in no event shall cash payments of Base Rent or other amounts due under the Bond Documents, including without limitation payments of Base Rent under the City Lease and payments of principal and interest on the Bonds (but excluding payments to the City or the Fiscal Agent of Additional Rent Payments) at any time be required to be made, or shall at any time be made, due or owing, presently or hereafter, to the City or the Fiscal Agent under the City Lease, the Bonds, the Bond Agreement or the other Bond Documents, it being understood, acknowledged and agreed by all parties hereto that such payments shall be accounted for by non-cash credits or other transactions between the Borrower, as lessee under the City Lease, and the Borrower, as owner of the Bonds, or the Lender, as pledgee of the Bonds, as the case may be; and

(ii) in the event that Lender or any Acquiring Party (as defined in Section 5(b) ever acquires leasehold title (under the City Lease) to the Project without acquiring ownership and possession of the Bonds, or ever acquires ownership of the Project, then, at Lender’s or Acquiring Party’s sole and absolute election: (A) the Bonds shall be and shall be deemed to have been surrendered by the Borrower or any successor, assign or transferee of the Borrower (including, without limitation, Lender), and no amounts, including without limitation offsetting non-cash book entry payments pursuant to Section 3(b), shall be or shall thereafter be due on or with respect to the Bonds and payment in full of the bonds shall be deemed to have occurred; (B) such Acquiring Party shall be deemed to have exercised the Purchase Option provided for in Article XVII of the City Lease for a purchase price, as set forth in said Article XVII, of \$100, and all requirements and conditions related thereto

shall be deemed satisfied; and (C) the City shall convey all of its right, title and interest in and to the Project to the Lender or Acquiring Party as deemed successor to the lessee's interest in the City Lease pursuant to the provisions of Article XVII of the City Lease, whereupon the City Lease shall be deemed terminated.

4. Pledge and Assignment of Bonds and Bond Documents. Borrower and Fiscal Agent, as additional security for the Loan, hereby covenant and agree to the following for the benefit of Lender and its successors and assigns, and the City hereby consents thereto:

(a) Pledge; Grant of Security Interest.

(i) Borrower hereby pledges, delivers and grants to Lender a perfected first priority security interest in and lien on all the Bonds, and Borrower and Fiscal Agent hereby assign, pledge, deliver and grant to Lender a perfected first priority security interest in and lien on (A) all of the rights, title and interest of Borrower and Fiscal Agent in and to the Bond Documents, and all of Borrower's and Fiscal Agent's rights, privileges, authority, remedies, powers and privileges arising under, from and/or out of the Bonds or the Bond Documents, including, without limitation, all of Fiscal Agent's and Borrower's right, title and interest in any collateral, demands, causes of action, funds, accounts, investment property, general intangibles and supporting obligations, and any other collateral or documents arising out of and/or executed or delivered with respect to the Bond Documents, and all claims and causes in action related to the Bond Documents; (B) all "accounts", "general intangibles", "instruments", and "investment property" (in each case as defined in the Uniform Commercial Code from time to time in effect in the State of Kansas (the "**Code**") constituting or relating to the foregoing, and (C) all proceeds of any of the foregoing, including, without limitation, all principal and interest payments, dividends or other income or amounts derived from the Bonds, collections thereon or distributions with respect thereto (collectively, with the Bonds, the "**Bonds Collateral**"), in each case as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Debt, including but not limited to the Loan and principal of and interest thereon and all other obligations and liabilities of Borrower to Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the Note, the Loan Agreement, the Mortgage, this Agreement or any other Loan Document, whether on account of principal, interest, prepayment premium, reimbursement obligations, fees, indemnities, costs, expenses or otherwise; provided, however, that the Fiscal Agent's rights to payment of its annual fee, and the collection of payments required pursuant to the Agreement for Payment in Lieu of Taxes dated November 30, 2010 shall not be assigned.

(ii) For purposes of effecting the pledge and grant of the Bonds to Lender and for purposes of effecting an absolute transfer of the Bonds to Lender in enforcement of the pledge and grant made hereunder (whether by transfer by foreclosure or by transfer in lieu of foreclosure), City, hereby agrees that (1) all terms and conditions of the Bond Agreement which relate to the effectiveness of the pledge and grant of the Bonds unto Lender in accordance with, and as contemplated in, this Agreement and the absolute transfer of the Bonds to Lender in enforcement of such pledge and grant (whether by transfer by

foreclosure or by transfer in lieu of foreclosure) are hereby deemed waived or satisfied in all respects and (2) the Fiscal Agent may effect transfer of the Bonds to Lender in accordance with the terms and conditions of the Bond Agreement and this Agreement upon Lender obtaining the right to such transfer under or in connection with this Agreement; provided, however, that Lender agrees that any transfer of the Bonds shall be in compliance with the applicable provisions of the Securities Act of 1933, as amended, and applicable State of Kansas (the “*State*”) securities laws, or in a transaction exempt from the application of federal and State securities laws.

(b) Bond Powers. Concurrently with the delivery to Lender of each certificate representing the Bonds, Borrower shall deliver to Lender the original Bonds together with an undated bond power (collectively, the “*Bond Powers*”) covering each of the Bonds, duly executed in blank in the form of Exhibit C attached hereto and made a part hereof.

(c) Representations and Warranties. Borrower represents and warrants as of the date hereof that:

(i) no consent of any other person or entity (including, without limitation, the City or the Fiscal Agent) that has not been obtained, is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement;

(ii) the Bonds constitute all of the issued and outstanding bonds of the Borrower and all of the issued and outstanding Bonds which relate to the Project;

(iii) all of the Bonds have been duly and validly issued by the City and are fully paid and non-assessable;

(iv) the Borrower is the record and beneficial owner of, and has good and marketable title to, the Bonds, free of any and all pledges, liens, security interests, other encumbrances or options in favor of, or claims of, any other person or entity, except the pledge, lien and security interest created by this Agreement; and

(v) upon delivery to Lender of the original certificates evidencing the Bonds, the pledge, lien and security interest granted pursuant to this Agreement will constitute a valid, perfected first priority pledge, lien and security interest on the Bonds Collateral, enforceable as such against all creditors of Borrower and any persons or entities purporting to purchase any Bonds from Borrower.

(d) Covenants. Borrower covenants and agrees with Lender as follows:

(i) Borrower hereby agrees to remit, or cause to be remitted, any amounts ever received with respect to the Bonds or any claims thereof under or pursuant to the Bond Documents directly to Lender as additional security for the Debt, which amounts shall be held by Lender in accordance with the Loan Documents, provided, the parties recognize that no actual cash or other payments have been made, or have been due or owing, or will at any time hereafter be made, due or owing under the City Lease or the Bond Documents (except to the extent expressly provided in Section 3 hereof).

(ii) If Borrower shall, as a result of its ownership of the Bonds, become entitled to receive or shall receive any certificate (including, without limitation, any certificate representing a payment, dividend or a distribution in connection with any reclassification, refunding, redemption, increase or reduction of the Bonds), option, rights or benefits, whether in addition to, in substitution of, as a conversion of, or in exchange for any of the Bonds, or otherwise in respect thereof, Borrower shall accept the same as Lender's agent, hold the same in trust for Lender and deliver the same forthwith to Lender in the exact form received, duly endorsed by Borrower to Lender, if required, together with an undated bond power covering any such certificate duly executed in blank and with, if Lender so requests, signature guaranteed, to be held by Lender hereunder as additional security for the Debt. Any sums paid upon or in respect of the Bonds (including, without limitation, any principal, interest, redemption, distribution or dividend) shall be immediately paid over to Lender, and if any sums of money or property so paid or distributed in respect of the Bonds shall be received by Borrower, Borrower shall, until such money or property is paid or delivered to Lender, hold such money or property in trust for Lender, segregated from other funds of Borrower, as additional security for the Debt.

(iii) Without the prior written consent of Lender, Borrower shall not, directly or indirectly (1) exercise any right or benefit under the Bond Agreement (including any voting rights) or consent, approve or direct the Fiscal Agent to take, or refrain from taking, any action under the Bond Agreement or any other Bond Document, or (2) vote to enable, or take any other action to permit, the City to issue any additional bonds, or to refund or redeem any Bonds, or (3) sell, assign, transfer, exchange or otherwise dispose of, or grant any option with respect to, the Bonds Collateral, or (4) create, incur or permit to exist any pledges, liens, security interests, other encumbrances or option in favor of, or any claim of any person or entity with respect to, any of the Bonds Collateral, or any interest therein, except for the pledge, lien and security interest provided for by this Agreement. Borrower shall defend the right, title and interest of Lender in and to the Bonds Collateral against the claims and demands of all persons or entities whomsoever.

(iv) If any amount payable under or in connection with any of the Bonds Collateral shall be or become evidenced by any promissory note, other instrument or chattel paper, such note, instrument or chattel paper shall be immediately delivered to Lender, duly endorsed in a manner satisfactory to Lender, to be held as additional collateral pursuant to this Agreement.

(v) Borrower shall pay, and save Lender harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to the Bonds or any other collateral or in connection with any of the transactions contemplated by this Agreement.

(e) Rights and Remedies of Lender.

(i) If an Event of Default shall occur, then all the Bonds at Lender's option shall be registered in the name of Lender or its nominee, and Lender or its nominee may thereafter exercise (1) all voting and other rights pertaining to the Bonds, and (2) any and all

rights of redemption, exchange, and transfer and any other rights, privileges or options pertaining to the Bonds as if Lender were the absolute owner thereof (including, without limitation, the right to deposit and deliver and all of the Bonds with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as Lender may determine), all without liability except to account for property actually received by it, but Lender shall have no duty to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(ii) If an Event of Default shall occur, Lender may exercise, in addition to all other rights and remedies granted in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Debt, all rights and remedies of a secured party under the Code. Without limiting the generality of the foregoing, Lender, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon Borrower or Fiscal Agent or any other person or entity (all and each of which demands, presentments, protests, advertisements and notices, or other defenses, are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Bonds Collateral, or any part thereof, and/or may forthwith sell, assign, give option or options to purchase or otherwise dispose of and deliver the Bonds Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, in the over-the-counter market, at any exchange, broker's board or office of Lender or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Lender shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Bonds Collateral so sold. Lender shall apply any cash proceeds from the Bonds Collateral from time to time held by it and the net cash proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all costs and expenses of every kind incurred therein or incidental to the care or safekeeping of any of the Bonds Collateral or in any way relating to the Bonds Collateral or the rights of Lender hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Debt, in such order as Lender may elect, and only after such application and after the payment by Lender of any other amount required by any provision of law, need Lender account for the surplus, if any, to Borrower; provided, the parties recognize that no actual cash or other payments have been made, or have been due or owing, or will at any time hereafter be made, due or owing under the City Lease or the Bond Documents (except to the extent expressly provided in Section 3 hereof), and no such non-cash credits, nor any other non-cash proceeds from the Bonds Collateral or any disposition thereof shall in any event or under any circumstance be applied or deemed applied toward the Debt or any other obligations owed to Lender. Borrower and Fiscal Agent waive all claims, damages and demands either or both of them may acquire against Lender arising out of the exercise by Lender of any of its rights hereunder. If any notice of a proposed sale or other disposition of Bonds Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least ten (10) Business Days before such sale or other disposition.

(iii) The rights of Lender under this Agreement shall not be conditioned or contingent upon the pursuit by Lender of any right or remedy against Borrower (or against

any other person or entity) which may be or become liable in respect of all or any part of the Debt or against any other security therefor, guarantee thereof or right of offset with respect thereto. Lender shall not be liable for any failure to demand, collect or realize upon all or any part of the Bonds Collateral or for any delay in doing so, nor shall it be under any obligation to sell or otherwise dispose of any Bonds Collateral upon the request of Borrower or any other person or entity or to take any other action whatsoever with regard to the Bonds Collateral or any part thereof.

(f) Limitation on Duties Regarding Bonds Collateral. Neither Lender nor any of its directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon any of the Bonds Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Bonds Collateral upon the request of Borrower or otherwise.

(g) Financing Statements; Other Documents. On the date hereof, the Borrower shall deliver to Lender the certificates with respect to the Bonds owned by Borrower, together with the Bond Powers. Borrower agrees to deliver any other document or instrument which Lender may request with respect to the Bonds Collateral for the purposes of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, filing UCC financing or continuation statements or issuing replacement Bonds in the event of a loss of the Bonds. Borrower, City and Fiscal Agent hereby authorize Lender to file any financing or continuation statements in regard to the liens, security interests and/or pledges granted under Lender under this Agreement.

(h) Powers Coupled with an Interest. All authorizations and agencies and powers herein contained with respect to the Bonds Collateral are irrevocable and coupled with an interest.

(i) Liens. Borrower shall not take any action that would impair the pledges, liens, security interests and other rights and remedies created under this Agreement and shall defend the right, title and interest of Lender in, to and under the Bonds Collateral against the claims and demands of any person whomsoever.

(j) Taxes. Borrower shall pay, and save Lender harmless from, any and all liabilities with respect to, or resulting from any delay in paying any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Bonds Collateral or in connection with the transactions contemplated by this Agreement.

(k) Indemnity. Borrower shall indemnify and hold harmless Lender, City, Fiscal Agent and their respective directors, officers, employees, agents and contractors from and against any and all claims, liabilities, losses, expenses, costs and damages which any of them may suffer or incur and which arises out of or results from:

(i) this Agreement, the grant, pledge and assignment of security hereunder, any claim or demand for payment under the Bond Documents or the City Lease, and/or the exercise of any right, remedy or power hereunder, except to the extent that it is finally judicially determined that any such liability, loss, expense, cost or damage resulted from the gross negligence, fraud or willful misconduct of any indemnified person; or

(ii) any claim or any alleged obligation, liability or duty on the part of Lender, City or Fiscal Agent to perform or discharge on behalf of Borrower any obligation, liability or duty of Borrower which arises or accrues prior to the date, if ever, on which Lender acquires title to the Bonds Collateral by foreclosure, assignment in lieu of foreclosure or otherwise; or

(iii) any and all damages, claims, liabilities, costs, or expenses incurred by the, on account of the alleged loss, theft, or destruction of the Bonds or the issuance by the City of the Bonds in the place and stead of the Bonds.

Borrower shall reimburse each person indemnified under this Section 4(k) within ten (10) Business Days after demand by Lender or such other indemnified person for the full amount of any indemnity to which such person may be entitled hereunder, which shall include all of such person's reasonable costs and expenses with respect thereto (including, without limitation, court costs and reasonable attorneys' fees and related expenses as and when incurred), and the full amount of Borrower's indemnity obligation shall be considered to be part of the Debt secured hereby. The indemnity set forth in this Section 4(k) shall survive the termination of this Agreement.

5. Additional Covenants of the City, Borrower and Fiscal Agent. The City, Borrower and Fiscal Agent further covenant and agree for the benefit of Lender and its successors and assigns as follows:

(a) Directions to Fiscal Agent; Payments on Bond Documents. The Fiscal Agent shall and is hereby irrevocably authorized by the Borrower and the City to comply with any and all written directions provided by the Lender to the Fiscal Agent with respect to the administration or enforcement of the Bonds and the Bond Documents, and shall take no action under the Bonds or the Bond Documents without Lender's written direction, notwithstanding any contrary or inconsistent direction on the part of the City or the Borrower, or any other individual or entity, whether or not an event of default has occurred under the Loan, Loan Documents or any of the Bond Documents. City and Borrower agree that Fiscal Agent shall remit any amounts ever received with respect to the Bonds or any claims thereof under or pursuant to the Bond Documents (other than payment of Additional Rent as provided in Section 3(b)(i) hereof) directly to Lender, whether or not Lender has exercised its right to foreclose on the Bonds and whether or not the Borrower is in default under the Loan, the Loan Documents or any agreement with Lender; provided, the parties recognize that pursuant to Section 3 hereof no actual cash payments of Base Rent under the City Lease or payments upon the Bonds have been or will at any time hereafter be made, due or owing under the City Lease or the Bond Documents.

(b) Leasehold Security Title. Lender shall constitute a permitted security interest and security title grantee under the City Lease and the Bond Documents and shall have all of the rights provided to a permitted security interest and security title grantee under the City Lease and, in addition, under applicable law. Without in any way limiting the foregoing, and notwithstanding anything to the contrary in the Bond Documents, Lender shall have the right at its option to foreclose upon the Borrower's leasehold estate under the City Lease pursuant to the terms of the Mortgage or other security instrument (in addition to the option to foreclosing upon the City's fee title to the Project or Property) and, if Lender, Lender's designee or another third party ("**Acquiring Party**") acquires title to any such leasehold estate of Borrower under the City Lease pursuant to a

foreclosure sale or a deed in lieu (or assignment in lieu) of foreclosure, said Acquiring Party, its successor and assigns, shall be recognized and considered as the lessee under the City Lease (notwithstanding anything in the City Lease prohibiting or restricting assignment by Borrower, as lessee, or establishing conditions under which an assignment by Borrower, as lessee, would be permitted) and shall have all of the rights and benefits of the lessee thereunder; and upon notification by Acquiring Party, City, as lessor, shall be bound to Acquiring Party under all terms, covenants and conditions of the City Lease for the balance of the term thereof remaining and any renewal or extension period thereof duly exercised as may be required by the City Lease, all without the need to execute any further instruments on the part of City, Borrower or Lender to make such succession and assignment effective and binding on City, as lessor under the City Lease; provided, however, that Acquiring Party shall not be (i) liable for any past due Rent or Additional Rent Payments or other expenses due from Borrower, as lessee under the City Lease, (ii) liable for any action or omission of Borrower, as lessee under the City Lease or (iii) bound by an amendment or modification of the City Lease made without Lender's advance written consent. Notwithstanding Section 8.1 of the City Lease, the Acquiring Party shall have the right to assign and transfer its interest in the City Lease without obtaining City's or Fiscal Agent's or the holders of the Bonds consent; provided, however, that any such assignment shall be effective only upon assumption by the assignee of all obligations and liabilities of the lessee thereafter accruing under the City Lease and the payment to City and Fiscal Agent of all obligations under the City Lease accrued as of the date of such transfer or assignment. Upon any transfer or assignment of the City Lease by the Acquiring Party, assumption of all obligations and liabilities of the lessee thereafter accruing under the City Lease, and payment to City and Fiscal Agent of all obligations under the City Lease accrued as of the date of such transfer or assignment, the Acquiring Party shall be automatically released and discharged from all liability thereafter accruing under the City Lease. Any Acquiring Party and its successors and assigns shall, without limiting its other rights and remedies under this Agreement or at law or in equity, be entitled to performance by the parties hereto of, and continued compliance with and all the rights and benefits of all the covenants and agreements set forth in Section 3 of this Agreement. In no event shall the City's or the Fiscal Agent's right to receive Additional Rent Payments under the City Lease or the Bond Agreement be affected by any assignment and assumption of the City Lease.

(c) Notice and Cure Rights. Each of City and Fiscal Agent shall provide Lender with copies of all notices of breach or default that are delivered to Borrower contemporaneously with the furnishing of such notices to Borrower and any other notices which are required to be sent by it to Borrower under the Bond Documents. Each of City and Fiscal Agent agrees that no notice given under the Bond Documents shall be effective against Lender unless a copy has been delivered to Lender in accordance with the terms of this subsection (c). The City shall not take any action to terminate the Lease for any reason including, without limitation, as a result of a Borrower default thereunder, provided (a) Lender commences action (within ninety (90) days of the receipt of such notice) (i) to cure (or cause the cure) of the default or (ii) to foreclose upon the Property and (b) Lender diligently pursues with continuity such cure or foreclosure. Each of City and Fiscal Agent acknowledges and agrees that the cure of certain defaults may require possession or control of the Property, and the exercise of rights and remedies under the Mortgage to obtain possession of the Property shall constitute diligent action by Lender to cure the default. Any notice, demand, request, or other instrument given by City or Fiscal Agent to Lender shall be delivered to Lender at the address specified in Section 7(f) hereof, or to such other addressees) as Lender may from time to time designate in a written notice to the City, Borrower and Fiscal Agent.

6. Concerning the Fiscal Agent and the City.

(a) Consent and Direction of Owner of Bonds. Borrower, as the owner of the Bonds, and Lender, as pledgee of the Bonds pursuant to Section 4, hereby consent to, approve and direct the execution, delivery and performance by the City and the Fiscal Agent of this Agreement to the full extent required by the Bond Agreement and the City Lease including, without limitation, all provisions of this Agreement that conflict with the terms of the Bond Agreement and the City Lease.

(b) Exculpation of Fiscal Agent. Fiscal Agent is executing and delivering this Agreement solely at the request of, and as accommodation to, the Borrower in its capacity as the owner of 100% of the Bonds, and solely in its capacity as Fiscal Agent under the Bond Agreement, and not in any personal capacity other than as such Fiscal Agent under the Bond Agreement, and shall be entitled to the protections and limitations upon liability and personal recourse afforded to the Fiscal Agent under the provisions of the Bond Agreement in its execution, delivery and performance of this Agreement. Fiscal Agent shall be entitled, in accordance with Section 2(b)(i) of this Agreement, to reimbursement from the Borrower, as Additional Rent Payments, of its fees, charges and expenses as provided in Section 3.2 of the Bond Agreement. The Fiscal Agent shall incur no pecuniary liability to Lender by virtue of this Agreement, and shall not be required to advance its own funds in the performance hereof. All representations and warranties of the Fiscal Agent herein are limited to the actual (and not constructive) knowledge of the trust officer responsible for administering the Bond Agreement.

(c) Exculpation of City. The City is executing and delivering this agreement solely at the request of, and as an accommodation to, the Borrower, as lessee under the City Lease. The City shall be entitled, in accordance with Section 2(b)(i) of this Agreement, to the Borrower indemnifications provided in Section 14.1 of the City Lease, the same constituting Additional Rent Payments as defined herein. The City shall incur no pecuniary liability to Lender by virtue of this Agreement and shall not be required to advance its own funds in the performance hereof. All representations and warranties of the City set forth herein are limited to the actual (and not constructive) knowledge of the [Mayor] of the City as of the date of execution and delivery hereof.

7. Miscellaneous.

(a) Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(b) Headings. The headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

(c) No Waiver; Cumulative Remedies. Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any default or in any breach of any of the terms and conditions hereof. No failure to

exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by Lender of any right or remedy hereunder on anyone occasion shall not be construed as a bar to any right or remedy which Lender would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

(d) Waivers and Amendments; Successors and Assigns; Governing Law. None of the terms or provisions of this Agreement may be waived, amended, or otherwise modified except by a written instrument executed by the party against which enforcement of such waiver, amendment, or modification is sought. This Agreement shall be binding upon the successors and assigns of Borrower, City and Fiscal Agent and shall inure to the benefit of Lender and its successors and assigns; provided neither Borrower, City or Fiscal Agent shall have any right to assign its rights hereunder. The rights of Lender under this Agreement shall automatically be transferred to any permitted transferee to which Lender transfers the Note and/or Loan Documents. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Kansas. Without limiting the foregoing, the parties acknowledge and agree that the covenants and agreements set forth in Section 3 of this Agreement, together with all other covenants and agreements of the parties in this Agreement, are and shall be irrevocable and unconditional, are and shall be for the benefit of the Lender and its successors and assigns, including without limitation any purchaser or acquirer of the Property, the Project or any part thereof, whether by foreclosure, deed, assignment or other transfer in lieu of foreclosure, or otherwise, and the successors and assigns of any such purchaser acquirer of the Property, the Project or any part thereof, and shall survive any foreclosure or deed in lieu of foreclosure or satisfaction of the Debt or any part thereof in connection therewith or otherwise.

(e) Further Assurances. Borrower, City and Fiscal Agent shall at any time and from time to time, and at Borrower's expense, promptly and duly execute and deliver such further instruments and documents and take such further actions as Lender may request to carry out and obtain and preserve the full benefits of this Agreement and the other Loan Documents and of the rights and powers granted herein, provided that City and Fiscal Agent shall not have any obligation to incur any cost or expense not paid by Borrower or, at Lender's option if Borrower fails to pay such cost or expense, Lender. Lender agrees that, with respect to the City and Fiscal Agent, ten (10) days shall constitute prompt action in accordance with this subsection (e).

(f) Notices. Unless otherwise specifically provided herein, all notices, demands, requests, consents, approvals or other communications (any of the foregoing, a "**Notice**") required, permitted or desired to be given hereunder shall be in writing and shall be sent by facsimile (with answer back acknowledged) or by registered or certified mail, postage prepaid, return receipt requested, or delivered by hand or by reputable overnight courier, addressed to the party to be so notified at its address hereinafter set forth, or to such other address as such party may hereafter specify in accordance with the provisions of this subsection (f). Any Notice shall be deemed to have been received: (a) three (3) days after the date such Notice is mailed, (b) on the date of sending by facsimile if sent during business hours on a Business Day (otherwise on the next Business Day), (c) on the date of delivery by hand if delivered during business hours on a Business

Day (otherwise on the next Business Day), and (d) on the next Business Day if sent by an overnight commercial courier, in each case addressed to the parties as follows:

If to Lender:

UBS Real Estate Securities Inc.
1285 Avenue of the Americas
New York, NY 10019
Attention: Henry H Chung
Facsimile No. (212) 821-2943

And to:

UBS AG
1285 Avenue of the Americas
New York, NY 10019
Attention: Henry H Chung
Facsimile No. (212) 821-2943

With a copy to:

Cassin & Cassin LLP
711 Third Avenue, 20th Floor
New York, New York 10017
Attention: Dennis W. Mensi, Esq.
Facsimile No. (212) 557-2952

If to Fiscal Agent:

Security Bank of Kansas City
701 Minnesota Avenue, Suite 206
P.O. Box 171297
Kansas City, Kansas 66117
Attention: Corporate Trust Department
Facsimile No. (913) 279-7960

With a copy to:

Security Bank of Kansas City
200 West Douglas, Suite 612
Wichita, Kansas 67202
Attention: Corporate Trust Department

If to City:

City of Maize, Kansas
City Hall
10100 Grady
P.O. Box 245

Maize, Kansas 67101
Attention: City Clerk
Facsimile No. (316) 722-0346

If to Borrower:
Maize Hotel, LLC
6572 Doonbeg Drive
Frisco, Texas 75035
Attn: Minhas Ladiwalla
Facsimile No. (972) 200-5038

With a copy to:
Legal Counsel Management
394 Broadway, Floor 5
New York, New York 10013
Attention: Vick Chauhan, Esq.
Facsimile No. (212) 257-7080

Any party may change the address to which any such Notice is to be delivered by furnishing ten (10) days written notice of such change to the other parties in accordance with the provisions of this subsection (f). Notices shall be deemed to have been given on the date as set forth above, even if there is an inability to actually deliver any such Notice because of a changed address of which no Notice was given, or there is a rejection or refusal to accept any Notice offered for delivery. Notice for any party may be given by its respective counsel. Additionally, Notice from Lender may also be given by Lender's loan servicer and Lender hereby acknowledges and agrees that Borrower shall be entitled to rely on any Notice given by Lender's loan Servicer as if it had been sent by Lender.

(g) Sale of Loan. City, Borrower and Fiscal Agent agree that Lender may at any time, without City's, Borrower's or Fiscal Agent's consent and without prior notice to any of them, sell, assign, participate or securitize all or any portion of Lender's rights and obligations under or with respect to the Loan, the Mortgage, this Agreement, the other Loan Documents or any of the other Debt, Documents, Liens and Claims, and that any such sale, assignment, participation or securitization may be to one or more financial institutions or other entities, to private investors, to any trustee in connection with a securitization of the Loan and/or into the public securities market, in Lender's sole discretion.

(h) Counterparts. This Agreement may be executed and delivered in separate counterparts, which together shall constitute a single instrument.

(i) Business Day. As used herein, the term "Business Day" shall have the meaning given to such term in the Loan Agreement.

(j) Recording. This Agreement may be recorded in the applicable recording office in the County and State in which the Property is located.

(k) Conflict. If there is a conflict between the terms of the City Lease, the Bond Documents and this Agreement, the terms of this Agreement shall prevail.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, Borrower, Fiscal Agent, City and Lender have caused this Agreement to be executed as of the date set forth above.

Signed, sealed and delivered in the presence of:

BORROWER:

MAIZE HOTEL, LLC, a Kansas limited liability company

By: **MAIZE HOTEL SPE, INC.**, a Kansas corporation, its manager

Unofficial Witness

Name: _____

By: _____

Name: Minhas Ladiwalla

Title: President

Notary Public

My Commission Expires: _____

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Signed, sealed and delivered in the presence of:

Unofficial Witness

Name: _____

Notary Public

My Commission Expires: _____

FISCAL AGENT:

SECURITY BANK OF KANSAS CITY, a state banking corporation organized under the laws of the state of Kansas, not in its individual capacity, but solely in its capacity as Paying Agent under the Bond Agreement

By: _____

Name:

Title:

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Signed, sealed and delivered in the presence of:

CITY:

**CITY OF MAIZE, a
municipal corporation**

Unofficial Witness

Name: _____

By: _____

Name:

Title:

Notary Public

My Commission Expires: _____

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Signed, sealed and delivered in the presence of:

LENDER:

UBS REAL ESTATE SECURITIES INC., a Delaware corporation

Unofficial Witness
Name: _____

By: _____
Name:
Title:

Notary Public

My Commission Expires: _____

By: _____
Name:
Title:

Unofficial Witness
Name: _____

Notary Public

My Commission Expires: _____

EXHIBIT A

Legal Description of Property

{01159565;2}

EXHIBIT B
LIST OF BOND DOCUMENTS

{01159565;2}

EXHIBIT C
BOND POWER (A 2010)

{01159565;2}

**MAIZE CITY COUNCIL
REGULAR MEETING
MONDAY, July 18, 2016**

AGENDA ITEM #8C

ITEM: **PROPOSED 2017 BUDGET FOR PUBLICATION**

BACKGROUND:

The 2017 proposed budget has been prepared for consideration and action.

Council and staff met in a budget workshop on July 11th to finalize the proposed budget.

Council directed staff to look at funding an additional patrol officer for half of 2017.

After considering how to fund this position, it is staff's recommendation to leave the 2017 proposed budget as presented.

During the second half of 2017, this Police Officer position will be reviewed as to need and what funds are available to fund it.

The proposed 2017 budget is in compliance with State law and supported by the City Administrator, City Clerk, Department Heads and the City's Financial Advisor.

The proposed budget supports all operations and all other financial obligations through 2017.

The estimated mill levy for the 2017 proposed budget is 43.048 mills compared to 43.030 this year.

FINANCIAL CONSIDERATIONS:

The attached budget reflects an effort to keep the mill levy consistent.

LEGAL CONSIDERATIONS:

Compliance with state law regarding forms and budget schedule has been accomplished.

RECOMMENDATION/ACTION:

1. Accept the proposed 2017 Budget as presented
2. Authorize publication of the proposed budget in The Clarion.
3. Set the public hearing on the proposed budget for Monday, August 1, 2016 at 7:00 pm.

Maize

2017

Computation to Determine Limit for 2017

	Amount of Levy
1. Total tax levy amount in 2016 budget	+ \$ <u>1,600,508</u>
2. Debt service levy in 2016 budget	- \$ <u>0</u>
3. Tax levy excluding debt service	\$ <u>1,600,508</u>

2016 Valuation Information for Valuation Adjustments

4. New improvements for 2016:	+ <u>1,610,556</u>	
5. Increase in personal property for 2016:		
5a. Personal property 2016	+ <u>263,485</u>	
5b. Personal property 2015	- <u>267,644</u>	
5c. Increase in personal property (5a minus 5b)	+ <u>0</u>	
		(Use Only if > 0)
6. Valuation of annexed territory for 2016:		
6a. Real estate	+ <u>5,049</u>	
6b. State assessed	+ <u>0</u>	
6c. New improvements	- <u>0</u>	
6d. Total adjustment (sum of 6a, 6b, and 6c)	+ <u>5,049</u>	
7. Valuation of property that has changed in use during 2016:		<u>25,648</u>
8. Total valuation adjustment (sum of 4, 5c, 6d & 7)		<u>1,641,253</u>
9. Total estimated valuation July 1, 2016	<u>40,288,624</u>	
10. Total valuation less valuation adjustment (9 minus 8)		<u>38,647,371</u>
11. Factor for increase (8 divided by 10)		<u>0.04247</u>
12. Amount of increase (11 times 3)		+ \$ <u>67,969</u>
13. 2017 budget tax levy, excluding debt service, prior to CPI adjustment (3 plus 12)		\$ <u>1,668,477</u>
14. Debt service levy in this 2017 budget		<u>74,071</u>
15. 2017 tax levy, including debt service, prior to CPI adjustment (13 plus 14)		<u>1,742,548</u>
16. Consumer Price Index for all urban consumers for calendar year 2015		<u>0.125%</u>
17. Consumer Price Index adjustment (3 times 16)		\$ <u>2,001</u>
18. Maximum levy for budget year 2017, including debt service, not requiring 'notice of vote publication' or adoption of a resolution prior to adoption of the budget (15 plus 17)		\$ <u>1,744,549</u>

If the 2017 adopted budget includes a total property tax levy exceeding the dollar amount in line 18 you must, prior to adoption of such budget, adopt a resolution authorizing such levy and, subsequent to adoption of such budget, publish notice of vote by the governing body to adopt such budget in the official county newspaper and attach a copy of the published notice to this budget.

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

Maize

2017

STATEMENT OF INDEBTEDNESS

Type of Debt	Date of Issue	Date of Retirement	Interest Rate %	Amount Issued	Beginning Amount Outstanding Jan 1, 2016	Date Due		Amount Due 2016		Amount Due 2017	
						Interest	Principal	Interest	Principal	Interest	Principal
General Obligation:											
Series B 2007	9/15/2007	9/1/2028	4.00	4,941,983	3,825,000	3/1 & 9/1	9/1	159,293	220,000	148,842	230,000
Series A 2011	9/23/2011	10/1/2032	3.36	4,630,000	4,035,000	4/1 & 10/1	10/1	123,145	200,000	118,645	205,000
Series A 2013	3/22/2013	9/1/2033	3.48	3,840,000	3,550,000	3/1 & 9/1	9/1	112,900	165,000	109,600	170,000
Series B 2013 Refunding	8/23/2013	9/1/2028	3.23	2,115,000	1,940,000	3/1 & 9/1	9/1	54,345	165,000	50,645	165,000
Series A 2014	11/26/2014	10/1/2034	3.66	2,795,000	2,750,000	4/1 & 10/1	10/1	98,683	35,000	97,982	45,000
Series A 2015	2/10/2015	10/1/2035	2.76	3,415,000	3,415,000	4/1 & 10/1	10/1	92,538	160,000	89,338	165,000
Series B 2015 Refunding	8/25/2015	10/1/2022	1.74	740,000	740,000	4/1 & 10/1	10/1	12,327	155,000	9,800	105,000
Total G.O. Bonds					20,255,000			653,231	1,100,000	624,852	1,085,000
Revenue Bonds:											
Water Revenue Bond 2006	1/15/2006	8/1/2031	4.15	5,335,000	4,180,000	2/1 & 8/1	8/1	212,763	175,000	0	0
WW Refunding Bond 2012	8/30/2012	9/1/2018	1.20	1,135,000	525,000	3/1 & 9/1	9/1	5,788	200,000	3,788	220,000
Water Revenue Bond 2014A	10/29/2014	10/1/2038	3.75	285,000	285,000	4/1 & 10/1	10/1	9,775	0	9,775	0
WW Revenue Bond 2014A	10/29/2014	10/1/2038	3.57	995,000	995,000	4/1 & 10/1	10/1	32,075	0	32,075	0
Water Refunding Bond 2016	7/7/2016	8/1/2030	2.38	4,125,000	0	2/1 & 8/1	8/1	0	0	104,606	225,000
Total Revenue Bonds					5,985,000			260,401	375,000	150,244	445,000
Other:											
Total Other					0			0	0	0	0
Total Indebtedness					26,240,000			913,632	1,475,000	775,096	1,530,000

Maize

2017

STATEMENT OF CONDITIONAL LEASE-PURCHASE AND CERTIFICATE OF PARTICIPATION*

Item Purchased	Contract Date	Term of Contract (Months)	Interest Rate %	Total Amount Financed (Beginning Principal)	Principal Balance On Jan 1 2016	Payments Due 2016	Payments Due 2017
Radio Read Water Meters	5/30/2014	60	3.59	113,400	92,292	25,181	25,181
Street Sweeper	9/15/2014	60	3.30	164,371	130,775	35,434	35,434
Totals					223,067	60,615	60,615

***If you are merely leasing/renting with no intent to purchase, do not list--such transactions are not lease-purchases.

Maize

2017

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget Debt Service	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	498,767	227,695	89,964
Receipts:			
Ad Valorem Tax	163,468	0	xxxxxxxxxxxxxxxx
Delinquent Tax	879	1,500	1,500
Motor Vehicle Tax	5,740	6,000	
Recreational Vehicle Tax			
16/20M Vehicle Tax			
Special Assessments	1,131,598	1,600,000	1,600,000
Transfer from Wastewater	239,547	237,863	255,863
Transfer from Water	402,154	405,038	406,725
Bond Proceeds	15,682	0	
Interest on Idle Funds	582	500	500
Neighborhood Revitalization Rebate			0
Miscellaneous	21,006		
Does miscellaneous exceed 10% Total Re			
Total Receipts	1,980,656	2,250,901	2,264,588
Resources Available:	2,479,423	2,478,596	2,354,552
Expenditures:			
Bond Principal	1,306,722	1,475,000	1,530,000
Bond Interest	913,413	913,632	775,096
Costs of Issuance	31,593	0	
Cash Basis Reserve (2017 column)			120,000
Miscellaneous			
Does miscellaneous exceed 10% of Total E			
Total Expenditures	2,251,728	2,388,632	2,425,096
Unencumbered Cash Balance Dec 31	227,695	89,964	xxxxxxxxxxxxxxxx
2015/2016/2017 Budget Authority Amount	2,356,834	2,552,350	2,425,096
	Non-Appropriated Balance		
	Total Expenditure/Non-Appr Balance		
			2,425,096
			Tax Required
			70,544
			Delinquent Comp Rate: 5.0%
			3,527
			Amount of 2016 Ad Valorem Tax
			74,071

Adopted Budget Capital Improvements	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	382,621	229,708	204,808
Receipts:			
Ad Valorem Tax		0	xxxxxxxxxxxxxxxx
Delinquent Tax	2	100	
Motor Vehicle Tax			
Recreational Vehicle Tax			
16/20M Vehicle Tax			
Commercial Vehicle Tax			
Watercraft Tax			
Transfer from General Fund	645,833	488,000	460,000
Maize Rec Reimbursement		0	
Interest on Idle Funds	2,509	2,000	2,000
Neighborhood Revitalization Rebate			0
Miscellaneous			
Does miscellaneous exceed 10% Total Re			
Total Receipts	648,344	490,100	462,000
Resources Available:	1,030,965	719,808	666,808
Expenditures:			
Street Improvements	419,033	300,000	350,000
Sidewalks	0	0	100,000
Other Capital Costs	1,457	0	
Park Improvements	13,484	215,000	200,000
Academy Avenue Improvements	367,283	0	
Miscellaneous			
Does miscellaneous exceed 10% of Total I			
Total Expenditures	801,257	515,000	650,000
Unencumbered Cash Balance Dec 31	229,708	204,808	xxxxxxxxxxxxxxxx
2015/2016/2017 Budget Authority Amount	1,216,000	665,000	650,000
	Non-Appropriated Balance		
	Total Expenditure/Non-Appr Balance		
			650,000
			Tax Required
			0
			Delinquent Comp Rate: 5.0%
			0
			Amount of 2016 Ad Valorem Tax
			0

Maize

2017

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget Special Highway	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	127,984	150,978	170,202
Receipts:			
State of Kansas Gas Tax	103,799	106,870	105,710
County Transfers Gas	44,268	46,150	46,640
Transfer from General Fund	150,000	150,000	150,000
Interest on Idle Funds			
Miscellaneous	5,220	473	
Does miscellaneous exceed 10% Total Rec			
Total Receipts	303,287	303,493	302,350
Resources Available:	431,271	454,471	472,552
Expenditures:			
Salaries	146,327	158,500	172,500
Operating Expenses	133,966	125,769	135,550
Cash Forward (2017 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	280,293	284,269	308,050
Unencumbered Cash Balance Dec 31	150,978	170,202	164,502
2015/2016/2017 Budget Authority Amount	280,300	294,100	308,050

Adopted Budget

Adopted Budget Law Enforcement Training	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	2,105	1,269	2,269
Receipts:			
Training Funds	2,796	3,000	3,000
Interest on Idle Funds			
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	2,796	3,000	3,000
Resources Available:	4,901	4,269	5,269
Expenditures:			
Maize Police Training	3,632	2,000	2,000
Maize Police Training Equipment	0	0	
Cash Forward (2017 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	3,632	2,000	2,000
Unencumbered Cash Balance Dec 31	1,269	2,269	3,269
2015/2016/2017 Budget Authority Amount	7,500	2,000	2,000

Maize

2017

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget Wastewater Reseve	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	123,437	133,386	169,386
Receipts:			
Transfer from Wastewater	36,000	36,000	36,000
Abengoa	69,789		
Interest on Idle Funds			
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	105,789	36,000	36,000
Resources Available:	229,226	169,386	205,386
Expenditures:			
Equipment	81,658		
Engineering Services	14,182		
Cash Forward (2017 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	95,840	0	0
Unencumbered Cash Balance Dec 31	133,386	169,386	205,386
2015/2016/2017 Budget Authority Amount	0	0	0

See Tab A

Adopted Budget

Equipment Reserve	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	49,803	114,344	124,644
Receipts:			
Transfer from General Fund	255,000	230,000	140,000
Interest on Idle Funds		300	300
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	255,000	230,300	140,300
Resources Available:	304,803	344,644	264,944
Expenditures:			
Trucks/Heavy Equipment	92,305	100,000	41,000
Computers/Technology	32,905	50,000	45,000
Police Dept Equipment	65,249	70,000	50,000
Cash Forward (2017 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	190,459	220,000	136,000
Unencumbered Cash Balance Dec 31	114,344	124,644	128,944
2015/2016/2017 Budget Authority Amount	255,000	230,000	136,000

Maize

2017

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget Wastewater	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	518,697	598,096	677,418
Receipts:			
User Fees	703,792	700,000	730,000
Installation Fees	43,500	40,000	25,000
Plant Equity Fees	48,500	45,000	27,500
Interest on Idle Funds	2,683	1,500	1,500
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	798,475	786,500	784,000
Resources Available:	1,317,172	1,384,596	1,461,418
Expenditures:			
Salaries	226,562	229,000	253,000
Operating Expenses	216,967	204,315	224,000
Transfer to Debt Service	239,547	237,863	255,863
Transfer to WW Reserve	36,000	36,000	36,000
Cash Forward (2017 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	719,076	707,178	768,863
Unencumbered Cash Balance Dec 31	598,096	677,418	692,555
2015/2016/2017 Budget Authority Amount	719,158	714,000	768,863

Adopted Budget

Water	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	395,719	433,098	466,029
Receipts:			
User Fees	613,270	635,000	649,925
Tower Rent	76,446	52,000	52,000
Water Tap Fees	47,500	40,000	25,000
Water Connection Fees	15,405	16,000	17,000
Plant Equity Fees	51,900	40,000	27,500
Water Tax	6,761	7,000	8,000
Interest on Idle Funds	753	500	500
Miscellaneous	952	5,098	
Does miscellaneous exceed 10% Total Rec			
Total Receipts	812,987	795,598	779,925
Resources Available:	1,208,706	1,228,696	1,245,954
Expenditures:			
Salaries & Wages	191,355	193,000	205,000
Operating Expenses	146,099	128,629	132,200
Transfer to Debt Service	402,154	405,038	406,725
Transfer to Water Reserve	36,000	36,000	36,000
Cash Forward (2017 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	775,608	762,667	779,925
Unencumbered Cash Balance Dec 31	433,098	466,029	466,029
2015/2016/2017 Budget Authority Amount	775,684	769,500	779,925

Maize

2017

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget Water Reserve	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	77,149	113,149	149,149
Receipts:			
Transfer from Water	36,000	36,000	36,000
Interest on Idle Funds			
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	36,000	36,000	36,000
Resources Available:	113,149	149,149	185,149
Expenditures:			
Equipment	0		
Cash Forward (2017 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	0	0	0
Unencumbered Cash Balance Dec 31	113,149	149,149	185,149
2015/2016/2017 Budget Authority Amount	0	0	0

Adopted Budget

Adopted Budget Water Bond Debt Reserve	Prior Year Actual for 2015	Current Year Estimate for 2016	Proposed Budget Year for 2017
Unencumbered Cash Balance Jan 1	268,000	268,000	268,000
Receipts:			
	0		
Interest on Idle Funds			
Miscellaneous			
Does miscellaneous exceed 10% Total Rec			
Total Receipts	0	0	0
Resources Available:	268,000	268,000	268,000
Expenditures:			
	0		
Cash Forward (2017 column)			
Miscellaneous			
Does miscellaneous exceed 10% Total Exp			
Total Expenditures	0	0	0
Unencumbered Cash Balance Dec 31	268,000	268,000	268,000
2015/2016/2017 Budget Authority Amount	0	0	0

NOTICE OF BUDGET HEARING

The governing body of
Maize
will meet on August 1, 2016 at 7:00 pm at City Hall for the purpose of
hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of ad valorem tax.
Detailed budget information is available at City Hall and will be available at this hearing.

BUDGET SUMMARY

Proposed Budget 2017 Expenditures and Amount of 2016 Ad Valorem Tax establish the maximum limits of the 2017 budget.
Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual for 2015		Current Year Estimate for 2016		Proposed Budget for 2017		
	Expenditures	Actual Tax Rate *	Expenditures	Actual Tax Rate *	Budget Authority for Expenditures	Amount of 2016 Ad Valorem Tax	Estimate Tax Rate *
General	3,411,730	38.030	3,275,542	43.030	3,375,058	1,660,259	41.209
Debt Service	2,251,728	5.006	2,388,632		2,425,096	74,071	1.839
Capital Improvements	801,257		515,000		650,000		
Special Highway	280,293		284,269		308,050		
Law Enforcement Training	3,632		2,000		2,000		
Wastewater Reseve	95,840						
Equipment Reserve	190,459		220,000		136,000		
Wastewater	719,076		707,178		768,863		
Water	775,608		762,667		779,925		
Water Reserve							
Water Bond Debt Reserve							
Totals	8,529,623	43.036	8,155,288	43.030	8,444,992	1,734,330	43.048
Less: Transfers	1,764,534		1,582,901		1,484,588		
Net Expenditure	6,765,089		6,572,387		6,960,404		
Total Tax Levied	1,475,513		1,600,508		xxxxxxxxxxxxxxxxxxxx		
Assessed Valuation	34,285,824		37,194,830		40,288,624		
Outstanding Indebtedness, January 1,							
	<u>2014</u>		<u>2015</u>		<u>2016</u>		
G.O. Bonds	18,475,000		18,895,000		20,255,000		
Revenue Bonds	5,425,000		6,350,000		5,985,000		
Other	5,118,040		4,068,040		0		
Lease Purchase Principal	113,400		277,771		223,067		
Total	29,131,440		29,590,811		26,463,067		

*Tax rates are expressed in mills

Jocelyn Reid

City Official Title: City Clerk

**MAIZE CITY COUNCIL
REGULAR MEETING
MONDAY, JULY 18, 2016**

AGENDA ITEM # 8D

ITEM: Sunflower Foundation Letter of Agreement: 45th Street Multi-use Path

BACKGROUND:

In May 2016, staff wrote an application for a matching grant from the Sunflower Foundation to construct a 2,855 foot (.54 mile) long, 8 foot wide concrete shared-user path on the north side of 45th street from Derringer to Maize Road.

The Sunflower Foundation is a Topeka-based philanthropic organization whose mission is to serve as a catalyst for improving the health of Kansans.

On June 17th, 2016, the Mayor and staff were notified that our application had been approved for up to \$55,000 in matching funds from the foundation.

Staff followed up with the foundation to clarify costs and a Letter of Agreement was written to ensure that the City will receive the full \$55,000 in matching funds.

Upon the date of signing the Letter of Agreement, the City will have 90 days to start the project and one year to complete it.

FINANCIAL CONSIDERATIONS:

This is a dollar for dollar matching grant.

The low bidder on the project was Andale Paving in the amount of \$123,458.20.

The City's responsibility for the project will be \$68,458.20.

A contract with Andale Paving for the project will be forthcoming for Council approval in August.

LEGAL CONSIDERATIONS:

The Letter of Agreement is approved as to form by legal counsel.

RECOMMENDATION/ACTION:

Move to approve the Sunflower Foundation Letter of Agreement for a matching grant in the amount of \$55,000 for the construction of a multi-use path on 45th street.



Letter of Agreement

Grant ID Number: 16-102-003

Sunflower Foundation

Cover Page

Program Officer: Elizabeth Stewart

HEALTH CARE FOR KANSANS

Legal Applicant Information:

Institution: CITY OF MAIZE

Name of Authorized Institution Representative: CLAIR DONNELLY

Title: MAYOR

Postal Address: PO BOX 245

City, State, Zip: MAIZE, KS 67101

Phone Number: (316) 722-7561

Fax Number: (316) 722-0346

Email Address: cdonnelly@cityofmaize.org

Website Address: www.cityofmaize.org

Employer Identification Number: _____

(NOTE: Signature required on page 6)

Project Information:

Project Name: 45th Street Side Path

*Name of Grant Project Coordinator: Jolene Graham

Title: Executive Assistant

Postal Address: PO Box 245

City, State, Zip: Maize, KS 67101

Phone Number: (316) 722-7561

Fax Number: (316) 722-0346

Email Address: jgraham@cityofmaize.org

Website Address: www.cityofmaize.org

(NOTE: Signature required on page 6)

Check Made Payable to:

Institution: CITY OF MAIZE

Applicant's Financial Officer (full name): JOCELYN REID

Title: CITY CLERK

Postal Address: PO BOX 245

City, State, Zip: MAIZE, KS 67101

Phone Number: (316) 722-7561

Email Address: jreid@cityofmaize.org

Fax Number: (316) 722-0346

Amount of Support Approved: \$55,000.00

See attached Budget for detail

Grant Award Period (total project period):	From	August 1, 2016	Through	July 31, 2017
		Month Day Year		Month Day Year

* The project coordinator is the individual directly responsible for developing the proposed activity, its implementation, and day-to-day direct supervision of the project.

LETTER OF AGREEMENT

Title of Project: 45th Street Side Path
Grant #: 16-102-003
Applicant Organization: City of Maize
Period of Grant: 12 months
Total Approved Amount of Grant: \$55,000.00
Key Contact for Project: Mr. Clair Donnelly

Scope of Work: City of Maize will construct a 2,855-foot (.54-mile) long, 8-foot wide, 4"- 6" concrete shared-user path adjacent to 45th Street. Matching funds provided by the City. Grant award will be used for materials (concrete) and labor costs, culverts, and installation of wheel chair ramps. The railroad company will provide safety infrastructure where the trail crosses the tracks.

THIS LETTER OF AGREEMENT ("Agreement"), made and entered into this 8th day of July, 2016, by and between Sunflower Foundation: *Health Care for Kansans* ("Foundation") and City of Maize ("Grantee").

This Agreement establishes the basis through which the Foundation will grant up to \$55,000.00 ("Grant Funds"), commencing approximately August 1, 2016, subject to the Grantee's agreement and compliance with the following conditions.

1. **Purpose.** The Grant Funds shall be used exclusively for the Project summarized in the scope of work above and detailed in the Grantee's Proposal as approved by the Foundation ("Proposal"), and shall be expended within the time period specified in the Proposal. If all or any portion of the Grant Funds are not used within the time specified in the Proposal, or within an extension of that time approved by Foundation, unspent Grant Funds shall be returned to the Foundation. Any funds not yet distributed to the Grantee at that time shall remain undistributed.
2. **Distribution of Funds.** Upon receipt of an executed copy of this Letter of Agreement from Grantee the Foundation will distribute funds for the Project on the following schedule:
 - a. An initial payment, not to exceed 25% of the total Sunflower Foundation grant award, will be paid within 30 days of receipt of a purchase order, signed contract for goods/services or like documentation at the beginning of the project.
 - b. Subsequent payments will be made within 30 days of receipt of eligible documentation of expenses (i.e. receipts, invoices, etc.) Payment amount will be determined by the percentage of funds requested compared to the percentage of project completed (i.e. If 60% of the project is complete, the Sunflower Foundation will pay 60% of the trail building expenses, with proper documentation of expenses and including match funding.)
 - c. The final payment will be made within 30 days of receipt and review of documentation of expenses (i.e. receipts, invoices, etc.) for all goods and

services funded by this grant, and receipt and review of final and financial report.

The Foundation reserves the right to alter this distribution schedule at any time at its sole, unfettered discretion, Foundation will notify Grantee of such a decision within a reasonable period after it is made.

The Grantee shall not redistribute Grant Funds to any other organization or entity other than those specified in the Proposal without the prior written approval of Foundation.

3. **Administrative Relationship.** The Grantee shall be solely responsible for administering the Project, and the Foundation shall have no responsibility for such administration. This Agreement grants the Foundation no administrative control over the Grantee or its operations. The Foundation and Grantee agree that this Agreement does not create a principal/agency relationship between them, Grantee shall not, by omission or commission, foster any belief with third parties that such a relationship exists.
4. **Use of Grant Funds.** No part of the grant shall be used to carry on propaganda, lobbying, or otherwise attempting to influence legislation, or other political activities, except to the extent permitted an organization exempt under Section 501(c)(3) of the Internal Revenue Code. No part of the grant shall be used to directly or indirectly participate in, or intervene (including publishing or distributing of statements) in, any political campaign on behalf of (or in opposition to) any candidate for public office, nor shall any part of grant funds be used to make any political contributions.
5. **Accounting and Audit.** The Grantee agrees to maintain records of receipts and expenditures relating to the Project. All financial and other records relating to the Project shall be made available, upon request, at the Grantee's regular place of business for audit by Foundation personnel, or its designated representative, at any time during the term of the Project and for a period of one year following the expiration or termination of the grant. The Foundation shall give reasonable notice to the Grantee when an audit is to occur, and shall inform the Grantee of all material audit findings. Any material discrepancies disclosed by the audit, if not corrected to Foundation's satisfaction within a reasonable period of time, shall be a ground for Termination under paragraph 12 of this Agreement.
6. **Scope of Work.** The Grantee agrees to notify the Sunflower Foundation prior to any anticipated changes in the scope of work of the Project as initially approved by Foundation. No changes in scope shall be undertaken without the prior approval of Foundation. The Sunflower Foundation will respond to requested change of scope within 14 business days from the date such request is received by Foundation.
7. **Budget.** The approved Project budget, a copy of which is attached, is hereby incorporated as part of this Agreement. No expenditures for the Project shall exceed those set forth in the approved Project budget, except as outlined below.

- a. Personnel – All personnel line item changes must be approved by the Foundation before being implemented.
 - b. Non Personnel line items - Expenditures for non-personnel line items may exceed the approved line item budget by up to 10% so long as the total expenditure for the Project does not exceed the total Project budget. **Budget modifications that exceed 10% of an approved line item (while still not exceeding the total Project budget) must be authorized by the Foundation before being implemented.**
8. **Reports.** The Grantee shall furnish the Foundation narrative Progress Reports (if required) Financial (budget status) Reports, and a narrative Final Report according to the following schedule. **See the Grant Report Guidelines for further details on reporting requirements.**

<u>Due Date:</u>	<u>Report:</u>
February 28, 2017	Progress and Financial Report
August 31, 2017	Final and Financial Report

9. **Evaluation.** The Foundation may, at its own expense, conduct one or more evaluations of the Project, which may include visits by Foundation representatives to observe programs, procedures and personnel. The Grantee agrees to make available, upon reasonable notice and during regular business hours, all relevant data and personnel, including members of its governing body, for discussion of the Project with Foundation representatives. The purpose of any such evaluation visits shall be to determine the progress and/or outcomes of the Project and, if necessary, assure compliance with the Proposal, this Agreement, and with the Project budget.
10. **Acknowledgement and Publicity.** All news releases, published research, shared data, project brochures and other publicity associated with the Project shall acknowledge the Sunflower Foundation as the source (or partial source) of funding per the following statement:
- “Funding for this project was provided (*in part) by the Sunflower Foundation: Health Care for Kansans, a Topeka-based philanthropic organization with the mission to serve as a catalyst for improving the health of Kansans.” (*in cases where the Sunflower Foundation is not the exclusive funder of the project)
- However, any planned acknowledgement or publicity that identifies the Sunflower Foundation requires prior approval by the Foundation before dissemination or publication. Additionally, the Foundation requests copies of any such planned acknowledgement or publicity that mention the Foundation in this context. Where the statement above does not match available space or intended application, Grantee will contact the Foundation to discuss modifications to this language.
11. **Tax Status.** The Grantee represents that it is a nonprofit, tax-exempt organization as defined in Section 501(c)(3) of the Internal Revenue Code or is recognized as

an instrumentality of state/local government and is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. Should Grantee receive, during the term of the grant, any notification of a pending or actual change in its tax status, Grantee shall immediately notify the Foundation.

12. **Termination.** The Foundation in its sole and unfettered discretion, may terminate this agreement and cancel the grant in whole or in part if:
- a. after a reasonable review, it determines that Grantee is not making satisfactory progress toward achieving the goals of the Project;
 - b. it determines that the Grantee is incapable of satisfactorily completing the Project according to the terms of the Proposal as approved by Foundation;
 - c. the Grantee fails to meet the terms and conditions of this Agreement;
 - d. the Grantee materially changes its ownership, management, business or governance structure, tax status, or operational purpose without the explicit, written consent of the Foundation.
 - e. the Grantee experiences a substantial change in its financial condition which threatens its continued operations or it loses significant funding from other foundation, state or federal grant funding sources; or
 - f. the Grantee transfers or attempts to transfer Grant Funds to any entity, organization, or person without the prior written approval of Foundation.

If the grant is terminated prior to the scheduled completion date, Grantee shall fully account to the Foundation for the receipt and disbursement of all Grant Funds as of the effective date of termination. Grantee shall repay, within thirty days of such effective date, all unexpended Grant Funds and reimburse Foundation for any all Grant Funds expended after the effective termination date.

Nothing in this paragraph or this Agreement shall limit or prevent the Foundation from taking any legal action necessary to effect repayment of Grant Funds expended by the Grantee that were not expended in accordance with either the Proposal or this Agreement.

13. **Use of Data.** The Foundation shall retain a nonexclusive, irrevocable, royalty-free license to use, and to license others to use, any and all data collected in connection with the Project in any and all forms in which such data are compiled.
14. **Copyright.** The Grantee shall own all copyright interest created as a result of the Project. The Foundation shall retain a royalty-free, nonexclusive and irrevocable license to reproduce, publish, alter or otherwise use and authorize others to use such materials for Foundation purposes.
15. **Property.** Title to all property and equipment purchased with Grant Funds shall vest in the Grantee.
16. **Open Meetings/Open Records.** The Sunflower Foundation is subject to the Kansas Open Meeting Act (K.S.A. 75-4317 *et seq.*) and the Kansas Open Records Act (K.S.A. 45-215 through 45-223). Any information received from the Grantee, including the Proposal, evaluation reports, narrative reports, budget reports, as

well as Foundation reviews of Grantee reports, is subject to disclosure to the public under the provisions of these Acts.

- 17. **Project Time Period.** Work on the Project shall begin within 90 days of the date upon which the Grantee receives Grant Funds. If such work does not begin within 90 days, the grant shall automatically terminate, unless the Grantee petitions the Foundation for an extension of the beginning date and the extension is granted. The Foundation may, in its sole and unfettered discretion, grant or deny such an extension. The Project shall be completed within the time frame stipulated in the Proposal. Grantee's right to expend Grant Funds shall terminate as of the Project completion date, unless the Project completion date is extended by the Foundation in its sole and unfettered discretion. If an extension request is denied, the grant shall terminate as of the originally scheduled Project completion date and the provisions of paragraph 12 regarding termination shall apply.
- 18. **Hold Harmless/Indemnification.** To the extent allowed by Kansas Law, Grantee agrees to indemnify and hold harmless the Foundation, its officers, trustees, employees and agents against all liabilities, obligations, damages, penalties, claims, costs, charges and expenses, which may be imposed upon, or incurred by, or asserted against, the Foundation, its officers, trustees, employees and agents from occurrences arising out of, or related to, the Project. If any claim of any sort is brought against the Foundation, its officers, trustees, employees and agents, Grantee shall, upon written notice from the Foundation, provide, at Grantee's sole expense, all costs of defending any such claim or proceeding and shall indemnify Foundation for any costs, fees, expenses, judgements, or financial losses related to such claim.
- 19. **Special Conditions.** None.

The foregoing conditions of this Agreement are hereby accepted and agreed to as of the date indicated.

Grantee Organization: City of Maize

Date: _____

By: _____
(signature of authorized officer)

Title: _____

Date: _____

By: _____
(signature of key contact for Project)

Title: _____

APPROVED: Sunflower Foundation: Health Care for Kansans

Date: July 8, 2016

By: 
Billie G. Hall, President & CEO



Budget prepared by:	City of Maize
Name	Jolene Graham
Title	Executive Assistant
Telephone	(316) 722-7561
Email	jgraham@cityofmaize.org

Sunflower Trails Budget Form

16-102 Community-Based New Trails or Trail Expansion

Applicant Organization: City of Maize (REVISED)

Project Title: 45th Street Side Path

Time Period Covered by this Budget: Start: June 2016 to Finish: May 2017

Complete all line items applicable to your grant, rounding to nearest dollar

Funding (Revenue)	
Sunflower Foundation	\$ 55,000.00
Applicant Organization	\$ 68,458.20
Allowable Donated Materials/Services	\$ 4,580.00
Other Grant Funding	\$ -
Fundraising/Donations	\$ -
Other: _____	\$ -
Total In-Kind Costs	\$ 4,580.00
Total Funding	\$ 128,038.20
Expenses	
<i>Trail Building</i>	
Materials and/or Labor Costs	\$ 102,099.93
Related In-Kind Costs	\$ -
Total Trail Building Expenses	\$ 102,099.93
<i>Total Trail Building including In-Kind</i>	\$ 102,099.93
<i>Trail Infrastructure and Enhancements</i>	
Design and Safety	\$ 21,358.27
Trees	\$ -
Distance Signage	\$ -
Related In-Kind Costs	\$ 4,580.00
Total Trail Infrastructure/Enhancements	\$ 21,358.27
<i>Total Trail Infrastructure/Enhancements including In-Kind</i>	\$ 25,938.27
Total Expenses	\$ 123,458.20

- Budget amounts should match amounts in budget narrative and be verified by submitted bids/quotes.
- See budget key and RFP for definitions and explanations of allowable items for funding and match.
- Please input grant data into uncolored cells only. Colored cells will self-populate.
- The 1:1 match is for total cost of the project not individual categories. Only the gray boxes need reflect the required match

For additional questions, please contact Elizabeth Stewart Burger (eburger@sunflowerfoundation.org) or Lindsey Fincham (lfincham@sunflowerfoundation.org). Both can be reached by telephone, 785-232-3000.

Sunflower Portion of trail building expenses	Cash Match of trail building expenses
\$ 40,000.00	\$ 62,099.93

Sunflower Portion of trail infrastructure/enhancements	Cash Match of trail infrastructure/enhancements
\$ 15,000.00	\$ 6,358.27

Total Sunflower Portion	Total Cash Match
\$ 55,000.00	\$ 68,458.20

A summary of this Ordinance was published in the Clarion on _____, 2016

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 9-112 OF THE CODE OF THE CITY OF MAIZE, KANSAS, PERTAINING TO AMENDING MUNICIPAL COURT COSTS AND REPEALING OF SAID EXISTING SECTION 9-112.

BE IT ORDAINED by the Governing Body of the City of Maize, Kansas, that Section 9-112 of the Code of the City of Maize, Kansas, is hereby amended to read as follows:

SECTION 1. Section 9-112. Section 9-112 of the Code of the City of Maize, Kansas, shall be amended to read as follows:

"COURT COSTS. (a) Court cost in all cases before the City of Maize, Kansas, Municipal Court shall include witness fees and mileage fees as allowed under K.S.A. 12-4411 and amendments thereto. In addition, court costs shall include the following in all cases, except cases involving parking violations:

- (1) A ninety-six Dollar and fifty cents (\$96.50) fee;
 - (2) A City Police Department Training fee of Thirteen Dollars and fifty cents (\$13.50);
- and

This One Hundred and Ten Dollar (\$110.00) in court costs includes all costs required to be assessed and collected by State Statute.

(b) Costs may be assessed against accused persons for the administration of justice in any municipal court case where the accused person is found guilty, where the accused person pleads guilty or where a deferred judgment is entered. The costs shall be assessed in accordance with the terms herein contained. If it appears to the court that the prosecution was instituted without probable cause and for malicious motives, the court may require the complaining witness or other person instituting the prosecution to appear and answer concerning their motives for instituting the prosecution. If, upon hearing, the court determines that the prosecution was instituted without probable cause and from malicious motives, all costs in the case shall be assessed against the complaining witness or other person initiating the prosecution.

SECTION 2. Repeal. The existing Section 9-112 of the Code of the City of Maize, Kansas, is hereby repealed.

SECTION 3. Effective Date. This ordinance will take effect upon a summary of this ordinance being published in the official City newspaper.

PASSED by the Governing Body, and APPROVED and SIGNED by the Mayor of the City of Maize, Kansas, on this 18th day of July 2016.

(SEAL)

Clair Donnelly, Mayor

ATTEST:

Jocelyn Reid, City Clerk

Court Costs	2001 (a.)	2006 (b.)	2008 (c.)	2011 (d.)	2016	2016 (e.)
City's Court Cost	\$15.00	\$27.00	\$29.00	\$63.00	\$62.50	\$65.00
State Law Enforcement Training Center	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$22.50
Local Law Enforcement Training	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$13.50
Public Defender Fee	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$4.00
Jail Housing Fee	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$4.00
Judicial Branch Education Fund	\$0.50	\$0.50	\$0.50	\$0.50	\$1.00	\$1.00
Total	\$52.00	\$64.00	\$66.00	\$100.00	\$100.00	\$110.00
<p>In the last year the state has doubled the Judicial Branch Education Fund and increased the State Law Enforcement Training Center Fund.</p> <p>Sedgwick County Jail has increased their housing fees by 4 cents effective January 1, 2016 with another increase of 11 cents effective January 1, 2017. Please note these housing fees are billed out hourly.</p> <p>With this increase we will be adding money into our fees that have not changed in the last 15 years.</p>						
City of Maize's fees						
a. Adopted by Ord. 573						
b. Adopted by Ord. 704						
c. Adopted by Ord. 747						
d. Adopted by Ord. 824						
e. Proposed court costs. Effective July 1, 2016						

**MUNICIPAL COURT FEE COLLECTIONS
2015**

Fund	FEE TYPE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
GF	Municipal Court Warrants	\$ -	\$ 231.00	\$ 150.00	\$ 200.00	\$ 150.00	\$ 50.00	\$ 200.00	\$ 100.00	\$ 50.00	\$ 150.00	\$ 60.00	\$ 100.00	\$ 1,441.00
GF	Court Fines	2,458.00	4,135.00	3,164.00	2,756.50	4,115.00	2,230.64	3,259.36	1,912.66	1,650.34	2,684.00	1,834.00	3,319.00	\$ 33,518.50
GF	Municipal Court Late Fee	40.00	100.00	40.00	20.00	80.00	20.00	56.00	6.50	20.00	57.50	40.00	80.00	\$ 560.00
GF	Municipal Court Costs	783.70	1,789.00	1,208.00	1,292.00	1,545.64	1,138.36	1,183.00	634.00	865.00	1,313.00	1,649.00	1,564.64	\$ 14,965.34
GF	Municipal Police Reports	84.65	259.55	245.00	223.50	119.20	201.75	223.15	227.45	251.75	269.55	191.05	187.10	\$ 2,483.70
GF	Municipal Bond Receipts	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
GF	Restitution Fees	10.00	4.00	-	-	-	23.00	97.65	8.99	20.00	44.99	-	-	\$ 208.63
GF	Diversion Fees	467.00	1,326.76	423.36	702.14	270.66	1,241.64	729.34	1,001.54	1,215.99	1,339.35	506.17	1,129.59	\$ 10,353.54
GF	ADSAP	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
GF	Police Video Fee	-	25.00	75.00	75.00	25.00	75.00	30.00	50.00	20.00	75.00	100.00	25.00	\$ 575.00
GF	Jail Housing Fees	54.42	84.08	44.68	55.70	47.36	108.08	44.34	24.34	75.36	91.82	70.00	78.42	\$ 778.60
LETF	Local Law Enforcement Training Funds	132.00	336.00	204.00	276.00	252.00	216.00	240.00	96.00	176.00	220.00	324.00	324.00	\$ 2,796.00
MCF	State Court Training	6.50	14.00	9.00	10.00	10.50	9.00	9.50	5.00	6.50	9.50	12.50	13.00	\$ 115.00
MCF	State Law Enforcement Training	220.00	504.00	368.00	468.00	380.00	340.00	385.35	180.00	338.00	413.32	514.68	520.00	\$ 4,631.35
MCF	Reinstatement Fees	-	162.00	303.00	81.00	243.00	81.00	162.00	21.00	-	162.00	-	162.00	\$ 1,377.00
MCF	Municipal Court Bond Receipt	-	481.00	-	-	(481.00)	1,533.50	301.00	-	-	-	1,603.34	175.00	\$ 3,612.84
MCF	Diversion Fees	231.62	355.25	348.00	369.65	195.32	960.50	580.00	40.00	476.68	677.84	212.38	423.16	\$ 4,870.40
MCF	Public Defender Fees	32.50	70.00	45.00	50.00	52.50	45.00	47.50	22.50	32.50	50.00	62.50	65.00	\$ 575.00
MCF	ADSAP	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
MCF	DUI Supervisory Fund	260.98	958.82	66.66	858.90	638.10	342.00	293.66	388.82	381.00	455.34	571.32	675.02	\$ 5,890.62
	Total Fee Assessed	\$ 4,781.37	\$ 10,835.46	\$ 6,693.70	\$ 7,438.39	\$ 7,643.28	\$ 8,615.47	\$ 7,841.85	\$ 4,718.80	\$ 5,579.12	\$ 8,013.21	\$ 7,750.94	\$ 8,840.93	\$ 88,752.52

**MAIZE CITY COUNCIL
REGULAR MEETING
MONDAY, July 18, 2016**

AGENDA ITEM # 8F

ITEM: Personnel Policy Manual Revisions

BACKGROUND:

The Personnel Manual states that the manual should be reviewed every 3 years. President Clasen, Council member Fitzmier, Tom Powell, Richard LaMunyon and Rebecca Bouska have reviewed and recommended the attached changes.

The changes in the attached document highlight in red the changes recommended to the policy. The significant changes in the manual occur in Section III (3.03) where the policy was amended to reflect changes in Federal Law. For instance the definition of salaried employee minimum wages was changed from \$455 to \$913. The other major change occurs in Section 3.04 to address the Americans with Disability Act. Otherwise, the changes are mostly formatting in nature.

FINANCIAL CONSIDERATIONS:

None at this time.

LEGAL CONSIDERATIONS:

Legal has approved to form.

RECOMMENDATION/ACTION:

Adopt the Personnel Policy as presented.

SECTION I - STATEMENT OF GENERAL POLICY

1.01 PURPOSE OF THE PERSONNEL POLICY

The following rules, regulations and other administrative provisions for personnel administration are established:

- A. To promote and increase efficiency and effectiveness of the City of Maize services;
- B. To provide fair and equal opportunity to all qualified persons to enter the City of Maize employment in all occupations on the basis of demonstrated merit and fitness as ascertained through fair and practical methods of selection without regard to age, ancestry, disability, gender, national origin, race, religion, pregnancy, marital status, veterans' status or any other characteristic protected by law;
- C. To develop a program of recruitment, advancement and tenure that will make service to the citizens of Maize an attractive career;
- D. To establish and maintain a uniform plan of Performance Evaluation and compensation based upon the relative duties and responsibilities of each Position in the City of Maize to assure fair and equitable compensation to all Employees;
- E. To establish and promote high morale among the Employees by providing good working relationships, uniform personnel policies and an opportunity for advancement without regard to age, ancestry, color, disability, gender, national origin, race, religion, pregnancy, marital status, veterans' status or any other characteristic protected by law; and
- G. To establish employment and personnel policies. This policy and guidelines do not create contractual employment rights. All City of Maize Employees are considered to be at-will Employees.

1.02 AMENDMENT OF POLICIES

This policy supersedes all existing policies and practices. The Governing Body reserves the right to modify, revoke, suspend, terminate or change any or all plans, policies, or procedures in whole or in part at any time with or without notice.

SECTION II - INTRODUCTION/ADMINISTRATION

2.01 ADMINISTRATION OF THE CITY POLICY

There is hereby created a personnel policy for the City of Maize (hereafter referred to as the “City”). All persons employed by the City except Elected Officials, members of boards and commissions, independent contractors, consultants and Volunteers, are under the jurisdiction of the personnel policy unless clearly stated otherwise.

The personnel policy shall include a classification plan and a pay plan, which shall be established and administered by the City Administrator with the approval of the Governing Body.

The personnel policy set forth herein is not intended to create a contract, nor is it to be construed to constitute contractual obligations of any kind or a contract of employment between the City and any of its Employees. Other than the City’s adoption of the policy of employment at-will as defined by state law, the provisions of this policy have been developed by the Governing Body and may be amended or canceled at any time.

2.02 ORGANIZATIONAL CHART

The organizational chart is a graphic representation of the structure established for the operation and supervision of all personnel and departments. The line of authority begins with the City Administrator and descends through Department Heads, supervisory personnel and ends with non-supervisory Employees. All communications, concerns, orders, requests and recommendations shall be channeled through the Chain of Command, in both directions, in order to avoid confusion and misunderstanding and to maintain oversight of those matters of importance to the City and City Employees. Please refer to Section XIV to view an Organizational Chart showing the Chain of Command.

- A. The City Administrator is ultimately responsible for all administrative matters of the City. As such, the City Administrator shall oversee the City's personnel policy or may delegate such duties as deemed appropriate. Duties include but are not limited to:

Administer the personnel policy, assist and advise Department Heads and Supervisors in the application of the policy as well as individual department policies and maintain a current knowledge of the laws regarding employment practices so as to revise and implement new policies.

- B. Department Heads are responsible for effective personnel management within their departments. Their duties include but are not limited to:
1. Develop policies uniquely applicable to their departments which are consistent with this policy. Departmental policies shall be reviewed by the City Administrator prior to implementation to ensure compatibility with this policy. A copy of the departmental policy shall be provided to each Employee in the department. Failure to follow departmental policy shall be cause for Disciplinary Action;

2. Approve all personnel actions in their departments;
 3. Delegate authority to Supervisors to administer the department policy;
 4. Communicate performance objectives to Supervisors and assure that these objectives are communicated to individual Employees; and
 5. Provide opportunities for Employees to be involved in planning and evaluating their own work and suggesting ways to improve departmental performance.
- C. Supervisors are responsible to Department Heads for effective administration of this policy. Their duties include, but are not limited to:
1. Strive to improve communication and the sense of teamwork between themselves and the Employees they supervise;
 2. Motivate and lead Employees toward achievement of stated department and City objectives;
 3. Review and evaluate the performance of Employees under their supervision;
 4. Review and evaluate the work of their departments and make changes or recommendations which shall improve their effectiveness; and
 5. Recommend appointments, Disciplinary Actions, Promotions, demotions, transfers and dismissals and changes in wages.

2.03 ADMINISTRATION OF DEPARTMENTAL POLICIES

A Department Head may formulate in writing reasonable policies for the conduct of departmental operations, including safety or operational procedures. All such policies shall be submitted to and approved by the City Administrator, and a current copy shall be kept on file in the office of the City Clerk and shall be available to all City Employees. Nothing in this section shall be construed as granting any Department Head the authority to adopt policies less stringent than, in violation of or in conflict with the personnel policy approved and adopted by the Governing Body.

2.04 DUTIES OF CITY ADMINISTRATOR RELATIVE TO GOVERNING BODY

The City Administrator shall act as the administrative head of the City and in such capacity shall direct the affairs of the City within the limits of the budget, the policies established by the Governing Body and the requirements of the statutes. The City Administrator shall attend all meetings of the Governing Body, shall prepare and submit the annual budget to the Governing Body, shall keep the Governing Body advised as to the financial condition and requirements of the City, and shall make recommendations to the Governing Body on all matters concerning the welfare of the City. The City Administrator shall have no vote in the public meetings of the Governing Body and shall refrain from attempting to establish policy but shall make recommendations to the Governing Body as a whole.

2.05 DEFINITIONS

Anniversary Date - One year from the Employee's Date of Hire, except in the case of Promotion. A Promotion establishes a new Anniversary Date starting from the actual date the Employee begins performing duties in the new job Position.

Chain of Command - The line of supervisory authority and internal communication, beginning with the City Administrator and descending through Department Heads, supervisory personnel and ending with non-supervisory Employees.

Confidential Information - Any information which is not available to the general public and which is obtained by reason of an Employee's Position and shall include but not be limited to discussions held in executive session, Personnel Files, negotiations held with third parties which may be the subject of executive sessions pursuant to Kansas statute and any other information which is not subject to disclosure pursuant to the Kansas Open Meetings Act and the Kansas Open Records Act.

Conflict of Interest - An actual or potential Conflict of Interest occurs when an Employee is in a Position to influence a decision that may result in a personal gain for that Employee or for a relative as a result of the City's business dealings. For the purpose of this policy, a relative is any person who is related by blood, marriage, blended family, or adoption.

Contract Employee - A professional Employee whose job duties are under a written contract. A Contract Employee is ineligible for all City Fringe Benefits except those mandated by law unless approved by the Governing Body as part of the written contract or an addendum to the contract.

Date of Hire - The first day the Employee reports to work.

Dismissal - Termination of employment by action of the employer pursuant to the City's at-will employment policy.

Disciplinary Action - A penalty (up to and including Dismissal from employment) which may be invoked against an Employee who has engaged in misconduct or unsatisfactory work performance.

Elected Official - Any person holding a Position on the City's Governing Body by reason of election or appointment in a manner set forth by law.

Employee - Any person engaged by the City to provide some type of service or labor for compensation.

Employment Classification - The service Positions of the City are hereby divided into two classes:

- A. The exempt class - Positions considered exempt are as defined by the Fair Labor Standards Act and amendments thereto; or
- B. The non-exempt class - Positions considered nonexempt are as defined by the Fair Labor Standards Act and amendments thereto.

Fringe Benefits - A term used to encompass such items as earned leave, holidays, insurance, medical benefits, retirement and other benefits received by an Employee in addition to compensation.

Full-Time Employee - An Employee scheduled to work the City's full-time work schedule. Generally, the Employee is eligible for all City Fringe Benefits, subject to the terms, conditions and limitations of each fringe benefit.

Grievance - A complaint filed by an Employee regarding working conditions for which the Employee seeks resolution through an established procedural process.

Leave of Absence - Permission granted to be absent from employment with the right of reinstatement without loss of seniority.

Part-Time Employee - An Employee not assigned to a temporary or probationary status and scheduled to work less than 40 hours per week; a police patrol officer scheduled to work less than 86 hours per 14-day work period. A Part-Time Employee is ineligible for all City Fringe Benefits except those mandated by law.

Performance Evaluation - A systematic process of observing, assessing and carefully judging an Employee's job performance.

Personnel File - The official file of each Employee maintained by the City Clerk. All records, reports and other pertinent material entered into such files are and shall remain the property of the City.

Position - A specific job consisting of all duties and responsibilities assigned or delegated by the Supervisor and requiring the full-time or part-time employment of one person.

Position Classification - Positions are grouped into classifications based on their duties and responsibilities. Compensation ranges are assigned to each class based on Position Descriptions and market value for the Position.

Position Description - A written document listing the duties, responsibilities and requirements of a specific position.

Probationary Employee - An Employee whose job performance is being evaluated to determine if employment with the City is appropriate. An Employee who satisfactorily completes the Probationary Period shall be notified of the new Employment Classification.

Probationary Period - Each offer of employment shall be provisional on the satisfactory completion of a six-month Probationary Period. Either the City or the Employee may end employment at any time during the Probationary Period with or without cause or advance notice.

Promotion - Advancement from one Position to another that has a higher rate of pay or title within the City.

Reclassification - Reassignment of an existing Position from one Position Classification to another, irrespective of whether the classes are in the same promotional line. Incumbents must demonstrate ability to perform in the reclassified Position, either by successful performance for a period of time, by a careful screening by supervisory personnel or by passing an appropriate examination.

Suspension - Placing an Employee in a non-duty status with or without pay.

Temporary or Seasonal Employee - An Employee hired as an interim replacement, to temporarily supplement the work force or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary Employees retain that status unless and until notified of a change. The temporary Employee is ineligible for all City Fringe Benefits except those mandated by law.

Volunteer - Any person holding a non-paid Position in the service of the City. When acting as a Volunteer, an individual is not an Employee.

SECTION III - EMPLOYMENT

3.01 AT-WILL EMPLOYMENT

Employment with the City is voluntarily entered into and the Employee is free to resign at any time with or without notice or cause. Similarly, the City may terminate employment at-will at any time with or without notice or cause, so long as there is no violation of applicable federal or state law.

The City believes that the work conditions, wages, and Fringe Benefits it offers to its Employees are competitive. If Employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their Supervisors as set forth in the organizational chart.

Employees who have any questions regarding this Personnel Policy Manual should ask their Supervisor, Department Head or the City Administrator for clarification.

3.02 EQUAL EMPLOYMENT OPPORTUNITY

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at the City shall be based on merit, qualifications and abilities. The City does not discriminate in employment opportunities or practices on the basis of age, disability, gender, national origin, race, religion, pregnancy, marital status, veterans' status or any other characteristic protected by law.

The City shall make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, Dismissal and access to Fringe Benefits and training.

Any Employee with questions or concerns about any type of discrimination in the workplace is encouraged and required to bring these issues to the attention of their immediate Supervisor, Department Head or the City Administrator. Employees can raise concerns and make reports without fear of reprisal.

3.03 FAIR LABOR STANDARDS ACT

All Employees shall be paid in compliance with the Fair Labor Standards Act (FLSA) with respect to minimum wage, overtime and salary deduction requirements. In general the FLSA requires that Employees be paid at least the federal minimum wage for all hours worked and overtime pay at one and one-half times the regular rate of pay for all hours worked over 40 hours in a workweek, unless the Employee is exempt from the minimum wage and overtime requirements or special rules apply to the Position. The FLSA and its implementing regulations provide exemptions for Employees employed as *bona fide* executive, administrative, professional, outside sales and certain computer Employees.

Job titles do not determine exempt status. In order for an exemption to apply, an Employee's specific job duties and salary must meet all the requirements of the U.S. Department of Labor's regulations.

To qualify for exemption, Employees generally must meet certain tests regarding their job duties and be paid not less than \$913 per week (\$47,476 annually) on a salary basis. Being paid on a "salary basis" means an Employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis. The predetermined amount cannot be reduced due to variations in the quality or the quantity of the Employee's work.

Subject to exceptions listed below, an exempt Employee must receive the full salary for any workweek in which the Employee performs any work regardless of the number of days or hours worked. The FLSA does not require that exempt Employees be paid for any workweek in which they perform no work. If an exempt Employee is ready, willing and able to work, deductions may not be made for time when work is not available.

Deductions from an exempt Employee's pay are permissible in the following circumstances:

- A. The Employee is absent from work for one or more full days for personal reasons other than sickness or disability, which are not covered by a *bona fide* plan, policy or practice providing paid leave for the absence.
- B. The Employee is absent due to sickness or disability, if the deduction is made in accordance with a *bona fide* plan, policy or practice of providing compensation for salary lost due to illness.
- C. The Employee's salary may be reduced to offset amounts received for jury or witness fees or for military pay.
- D. The Employee has received an unpaid disciplinary Suspension of one or more full days which was imposed in good faith for workplace conduct rule infractions.

In addition, partial day or full day deductions may be made in the following circumstances:

- A. The Employee is not entitled to a full week's salary in the initial or terminal week of employment.
- B. The Employee has been penalized, in good faith, for an infraction of safety rules of major significance.
- C. The Employee has taken unpaid leave under the Family and Medical Leave Act for part or all of the workweek.

It is the policy of the City to comply with salary basis requirements of the FLSA. All Supervisors and Department Heads are prohibited from making any improper deductions

from the salaries of exempt Employees. The City does not allow deductions that violate the FLSA or state law.

If an Employee believes an improper deduction has been made to the Employee's salary, the Employee should report this information to the City Clerk. Reports of improper deductions shall be promptly investigated. If it is determined that an improper deduction has occurred, the Employee shall be promptly reimbursed for any improper deduction made.

3.04 AMERICANS WITH DISABILITIES ACT

The City will comply with the Americans with Disabilities Act (ADA).

In this regard, the City will provide accommodations for qualified persons with disabilities who are Employees or who are applicants for employment and who are unable to perform the essential functions of their jobs without accommodations, unless the providing of the accommodations would cause an undue hardship to the City.

If an Employee becomes disabled and needs reasonable accommodations, the Employee shall notify their Supervisor who will work along with the City Administrator or the City Administrator's designee and the Employee to determine if a reasonable accommodation can be made.

3.05 PRE-EMPLOYMENT REQUIREMENTS

All new applicants for any Position with the City shall meet the qualifications established for that Position and complete a job application form with all pertinent information. The City shall make reasonable accommodations for Employees who have a disability. Any Employee who desires accommodations has the responsibility to inform the City of specific needs.

The offer of employment and assignment to duties is contingent upon satisfactory completion of a medical exam, drug test, background check and other testing as required for the Position. An offer of employment is made at the discretion of a Department Head with approval of the City Administrator.

- A. The City Administrator shall be responsible for listing Position vacancies or informing all City Employees of an internal vacancy. The City Administrator or Governing Body may advertise the vacancy externally.
- B. All new applicants authorize the City to contact previous employers, credit bureaus, friends, relatives or others who may provide information about the applicant's work record and character upon completion of the Employment Application.
- C. A medical examination shall be performed at the City's expense by a professional of the City's choice. A current Employee transferring to a Position requiring qualifications substantially different from the current Position may also be required to take a medical exam.

D. Applicants who have received an offer of employment shall be required to successfully complete a drug or alcohol test that shall be administered in full compliance with federal and state law and the City's Substance Abuse Policy as contained in this policy manual.

3.06 NEPOTISM

In order to avoid favoritism or the appearance of favoritism based on family relationships, no one shall be employed in a department where the Supervisor, Department Head or City Administrator, if applicable, is an immediate family member. "Immediate family" is defined to include only an Employee's parents, stepparents, spouse, children, stepchildren, sister or brother, grandparents, grandchildren, mother or father-in-law, or brothers- or sisters-in-law.

Where such situations exist through Promotion, transfer or marriage, action shall be taken to insure an effective working environment through transfer or Dismissal from employment of one of the Employees within a two-month period after the relationship is determined or established.

3.07 VETERANS PREFERENCE

In recognition of the services provided and as required by law, any person honorably discharged from the United States Military Service shall be preferred for employment by the City over other applicants, provided that all qualifications are equal.

3.08 LOYALTY OATH

Before entering into the duties of elected office, appointed office or employment, all public officers and Employees must subscribe in writing to an oath in the form as set forth in K.S.A. 54-106. No Employee shall perform services for the City until such oath is executed and filed with the City Clerk.

3.09 RESIDENCY REQUIREMENTS

The Governing Body may require, by agreement when hiring an Employee that the Employee relocate within the City. Other City Employees must live within 30 minutes lawful driving time of the corporate limits of Maize, Kansas. If the Governing Body has required residency at the time of hiring, Employees not owning their homes shall comply with this residency requirement within 60 days after their employment. Employees owning their homes shall comply with this residency requirement within six months of their employment date.

3.10 CITIZENSHIP VERIFICATION/IMMIGRATION LAW COMPLIANCE

In compliance with the Immigration Reform and Control Act of 1986, each new Employee, as a condition of employment, must complete the Form I-9 and present appropriate documentation establishing identity and employment eligibility. Former Employees who are

rehired must also complete the form if they have not completed an I-9 with the City within the past three years, or if their previous I-9 is no longer retained or valid.

3.11 ORIENTATION

New Employees shall receive information concerning the Position Description, City policies and regulations, compensation and Fringe Benefits and other information as necessary. Each Employee shall be asked to complete all necessary paperwork, including medical benefit plan enrollment forms, beneficiary designation forms and appropriate federal, state, and local tax forms.

3.12 PROBATIONARY PERIOD

Each new Employee, following initial employment, shall satisfactorily complete a six-month probationary training period in order to achieve full-time or part-time employment status. Any Probationary Employee may be terminated at any time during the Probationary Period with or without cause and the Employee shall not have the right to grieve such a termination.

Employees promoted to a Position with higher pay shall satisfactorily complete a six-month Probationary Period. Any Employee who fails to satisfactorily complete such Probationary Period shall be returned to the pay and Position they held immediately prior to the Promotion or to a Position with equal pay and responsibility, if available.

3.13 PERSONNEL RECORDS

- A. Each Employee shall have an official Personnel File maintained by the City Clerk containing information completed at the time of employment and any other records provided by Supervisors and Department Heads. These files contain documentation concerning certain aspects of each Employee's tenure with the City, such as employment applications, resumes, drug screens, Performance Evaluations, beneficiary designation forms, disciplinary warning notices, letters of recommendation and all other records directed to be made and maintained under these policies and guidelines under applicable laws.
- B. Each Employee shall be responsible for assuring that the personal information in the Personnel File is correct. Employees should promptly notify the City Clerk of any change in personal data such as change of name, address, telephone number, family status (marriage, divorce, birth, death) or beneficiary. Fringe Benefits for both the Employee and the Employee's dependents may be affected or lost if notifications of changes are not made immediately upon occurrence. The City is not responsible for loss of Fringe Benefits that may arise when information changes have not been provided in a timely manner.
- C. Each Employee shall have the right to review their official Personnel File during regular office hours. The City Clerk shall be present.

- D. The City Clerk shall keep relevant compensation information for all persons employed by the City, including their pay rate, time worked and accrued earned leave. An Employee's compensation records shall be available during regular office hours for inspection by that Employee.
- E. The City shall maintain medical information confidentiality regarding applicants, Employees and former Employees. All medical information shall be maintained separately from the Personnel File. The City will only use and disclose medical information as required or permitted by law. All uses and disclosures of the Employee's medical information will be of the minimum necessary to accomplish the intended purpose of the use or disclosure.

3.14 EMPLOYMENT VERIFICATION

When the City or any Employee of the City is solicited for information concerning current or former Employees from other employers with whom such current or former Employee has sought employment, the following policy on employment references shall be followed:

- A. The City Administrator will respond to such requests;
- B. For telephone inquiries the City shall provide only the Employee's dates of employment, pay level, Position Description and duties, and wage history. Anyone providing such information shall obtain and record the name of the company and caller requesting the information;
- C. If additional information is desired, the caller must send a letter outlining the information needed about the applicant and include written permission from the applicant to release the information requested; and
- D. Written responses to requests for information shall be reviewed and approved by the City Administrator prior to being submitted to the prospective employer.

3.15 TERMINATION OF EMPLOYMENT

Whenever an Employee resigns, is terminated, is laid off or in any way discontinues a relationship with the City, the Employee shall surrender to their Supervisor, Department Head or the City Administrator all property that has been issued by the City to said Employee. This may include such items as City-owned vehicles, keys, clothing, tools, etc.

- A. An Employee may submit a resignation at any time. Although advance notice is not required, at least two weeks written notice from an Employee would be appreciated.
- B. Dismissal is termination of employment by action of the employer pursuant to the City's at-will employment policy and at the discretion of a Department Head subject to the approval of the City Administrator.

- C. Retirement is giving up one's employment Position with the City at a time when benefits such as KPERs become available.
- D. Prior to an Employee's departure, an exit interview may be scheduled to discuss the reasons for the voluntary or involuntary termination of employment and the effect on Fringe Benefits.
- E. Employees shall be paid their accumulated earned leave upon resignation.

3.16 HIRING

The City Administrator, the City Attorney, and the Municipal Judge shall be hired by the Governing Body. Department Heads including the Deputy City Administrator, Chief of Police, Director of Public Works and the City Clerk shall be hired by the City Administrator with approval of the Governing Body. The City Administrator is responsible for hiring all other City Employees. Department Heads may hire department Employees with the approval of the City Administrator.

3.17 DISMISSALS

The City Administrator is authorized to dismiss City Employees from City service without cause. Department Heads may dismiss department Employees with the approval of the City Administrator. All officers and Employees of the City are at-will Employees.

3.18 NOTIFICATION

The City Administrator shall notify the Governing Body of all hirings and Dismissals when such action occurs.

SECTION IV - REQUIRED WORK HOURS, RECORD KEEPING AND APPEARANCE AT WORK

4.01 WORK HOURS

The applicable Department Head or the City Administrator shall set work hours for all Employees.

- A. Full-Time Employees - The normal work week for Full-Time Employees, which includes all Employees other than police patrol officers, shall be 40 hours, consisting of five eight-hour days.
- B. Police Patrol Officers - The normal work period for full-time police patrol officers shall average 86 hours per 14 days.
- C. Normal Work Hours - No Employee shall be permitted to work in excess of their scheduled work week or work period except when directed by the Employee's Department Head or the City Administrator.

4.02 REST BREAKS

Employees are entitled to a rest break of 15 minutes for each four hours of work. The time of the rest break, usually mid-morning or mid-afternoon, shall be scheduled by a Supervisor, Department Head or the City Administrator. Time for rest breaks is not cumulative and may not be used to extend lunch periods.

4.03 ATTENDANCE AND PUNCTUALITY

To maintain a safe and productive work environment, the City expects Employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness places a burden on other Employees and on the City. In the rare instances when Employees cannot avoid being late to work or are unable to work as scheduled, they should notify a Supervisor, Department Head or the City Administrator as soon as possible.

4.04 PAY PERIODS AND RECORD (TIME) KEEPING

All personnel are paid on a bi-weekly basis, and shall accurately certify the hours they work on a time sheet. Time sheets are to be submitted to the City Clerk by an Employee, a Supervisor or a Department Head.

Employees who are laid off, dismissed, resign, retire or are otherwise terminated from their employment with the City shall receive their final paycheck on the regularly scheduled payday for the pay period in which their employment was terminated.

Each payroll period shall reflect earned leave for that specific pay period as well as cumulative year-to-date totals. After verification of hours worked with a Supervisor or a

Department Head, questions concerning an Employee's pay stub, deductions, etc. should be addressed to the City Clerk.

4.05 PERSONAL APPEARANCE OF EMPLOYEES

It is the policy of the City that each Employee's dress, grooming and personal hygiene be appropriate to the work situation. Employees at all levels and Positions are representatives of the City and their dress, grooming and personal hygiene affect both the public's impression of the City and internal morale. As such, radical departures from conventional dress or personal grooming and hygiene standards are not permitted.

Certain Employees within the Public Works and Police Departments may be required to meet special dress standards, such as wearing uniforms. The City may allow a clothing allowance for uniforms required of City Employees which may be deemed a taxable benefit.

Any Employee who does not meet the standards of this policy shall be required to take corrective action which may include leaving the premises. Non-exempt Employees (those Employees subject to the minimum wage and overtime requirements of the Fair Labor Standards Act) shall not be compensated for any work time missed due to failure to comply with this policy.

The City expects Employees:

- A. to present or create a professional or identifiable appearance for customers, suppliers and the public avoiding distractions caused by outrageous, provocative or inappropriate dress. Employees should not wear suggestive attire, jeans, athletic clothing, shorts, sandals, T-shirts, baseball hats and similar items of casual attire that do not present a businesslike appearance;
- B. to promote a positive working environment by practicing regular hygiene, washing hands after using the restroom and avoiding overuse of perfumes or other artificial odorants;
- C. to keep hair clean, combed and neatly trimmed or arranged. Shaggy, unkempt hair is not permissible regardless of length. All sideburns, moustaches and beards shall be neatly trimmed; and
- D. to insure that tattoos and body piercings (other than earrings) are not visible.

SECTION V - CLASSIFICATION, COMPENSATION/PAY PLAN, AND EMPLOYEE EVALUATION

5.01 EMPLOYMENT CLASSIFICATIONS

It is the intent of the City to clarify Employment Classifications so that Employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate employment is at-will by both the Employee and the City.

The Positions of the City are divided into two classes:

- A. Exempt Class - Positions considered exempt are as defined by the Fair Labor Standards Act and amendments thereto.
- B. Non-exempt Class - Positions considered nonexempt are as defined by the Fair Labor Standards Act and amendments thereto.

5.02 PAY PLAN

In the City's pay plan, Employee Positions are grouped by salary status (i.e. full-time salary, full-time hourly, part-time hourly). The pay plan steps are assigned to each Position based on Position Descriptions and fair market value.

Each Position Description shall have a list of responsibilities and skills needed to qualify for employment along with education and experience qualifications. Position Descriptions shall be reviewed every three years or when a Position needs to be filled by a new hire or internally. Position Descriptions shall be updated to:

- A. maintain an equitable salary structure;
- B. identify changes that may impact the Position;
- C. clarify Position responsibilities for carrying out assigned tasks within the Department;
and
- D. define the interrelationship of Department Positions.

The City Administrator shall make comparative studies of the pay plan for each Position in a Department every three years and shall submit recommendations for changes in the pay plan to the Governing Body. The Governing Body may or may not approve recommendation changes during the budget process.

For each Position, an entry-level minimum pay step and maximum-level pay step will be established and adopted by the Governing Body. The entry-level base is generally intended

for newly hired or promoted Employees meeting the requirements of a Position. Advancement within the salary range is based on a satisfactory Employee evaluation.

5.03 NEW EMPLOYEES

The entry-level rate of pay for a Position may be paid from the Date of Hire, unless a Department Head petitions the City Administrator for permission to start an Employee at a higher rate of pay based on a written evaluation of skills, education and experience. The City Administrator may approve such requests when a prospective Employee possesses exceptional qualifications.

5.04 DETERMINATION OF RATE OF PAY

- A. All Employees shall be paid at an hourly or bi-weekly rate equivalent to the rate for the Position Classification in which they are employed.
- B. All hourly Employees shall be paid bi-weekly an amount equivalent to the pay assigned their Positions, with earnings determined by the actual time worked.
- C. In some situations, Employees may choose to apply for a Position that would be a lateral transfer or demotion in order to pursue a different career path or enhance career potential. The best interests of the City and the Employee are considered when reviewing these requests. A demotion may include a reduction in pay.

5.05 GENERAL COMPENSATION BASE PAY INCREASE

- A. A newly hired or promoted Employee's entry-level pay may be increased at the successful completion of the Employee's six-month Probationary Period and at the completion of 12 months from the Date of Hire or Promotion.
- B. Police patrol officers without certification may receive a pay increase upon successful completion of Kansas Law Enforcement Training and at the completion of 12 months from the Date of Hire
- C. An Employee's rate of pay may be increased:
 - 1. annually, if granted by the Governing Body during the budget process, which shall become effective January 1 of the adopted budget year; and/or
 - 2. at the time of receiving a satisfactory Employee evaluation.

The Employee's rate of pay cannot exceed the maximum pay step of the pay plan.

All Employees shall be eligible to receive annual evaluation step increase, unless instructed otherwise by the Governing Body during the budget process.

- D. A pay increase may be recommended, upon approval of the City Administrator, in recognition of continuing education including, but not limited to:

1. certification in specific areas of classification Position of employment;
2. technical training in specific areas of classification Position of employment; or
3. formal education:
 - i. Bachelor's Degree in classification Position of employment;
 - ii. Master's Degree in classification Position of employment;
 - iii. Continuing education or in-house training in classification position of employment.

E. The Mayor shall be notified in writing regarding all pay step increases.

5.06 PROMOTION

It is the City's policy to give current Employees first consideration as applicants for promotional opportunities. When an Employee receives a Promotion that Employee may receive an increase in base pay.

5.07 THIS SECTION LEFT BLANK AT THIS TIME

5.08 CITY SERVICE RECOGNITION PAY

The purpose of recognition pay is to facilitate a program that makes City service an attractive career. Full-Time Employees who have been continuously employed for 5 years shall receive recognition pay on the Employee's fifth year Anniversary Date at the rate of \$50 per year of employment and in five-year increments thereafter. Example: Upon completion of five years @ \$50 = \$250; upon completion of 10 years @ \$50 = \$500, etc. The recognition pay does not increase base rate of pay.

5.09 PERFORMANCE EVALUATION SYSTEM

Annual written Performance Evaluations shall be conducted for all full-time Employees and Part-Time Employees by a Supervisor, Department Head or the City Administrator. All written evaluations shall be based on the Employee's overall performance in relation to job responsibilities, attendance, and tardiness.

Scheduled Performance Evaluations shall rate an Employee's performance for an entire year in an employment Position based on the Anniversary Date. An evaluation may occur more frequently than on an annual basis at the discretion of a Supervisor, Department Head or the City Administrator.

It is important that Employees understand the information, goals, and outcomes of the evaluation process. Employees who are uncertain about the information, goals or outcomes of an appraisal may request an additional meeting with their evaluator or request the City Administrator to act as a third party mediator for the Employee and evaluator.

5.10 PERFORMANCE CATEGORIES

The following are definitions of the performance categories:

Probationary - An Employee placed in this category is a newly hired Employee in the six-month Probationary Period beginning on the Date of Hire or a promoted Employee in the six-month Probationary Period beginning on the date of Promotion.

Satisfactory Performance - An Employee placed in this category demonstrates acceptable performance and meets or exceeds the duties and standards established for the Position.

An Employee who consistently surpasses the duties and standards established for the Position in the areas of quality of work, planning, and organizing, and exhibits leadership abilities.

An Employee's performance is exceptional and superior in all areas.

Unsatisfactory Performance - An Employee placed in this category is not performing up to the standards established for the Position. An Employee receiving an unsatisfactory Performance Evaluation upon the Employee's annual Anniversary Date is ineligible for step pay until the next evaluation.

Performance Evaluation Form - See Section XVI.

SECTION VI - ALTERNATIVE COMPENSATION

6.01 OVERTIME COMPENSATION

- A. Full-time exempt Employees are expected to work a minimum of 40 hours per week and may work more than 40 hours. An exempt Employee shall not be paid overtime.
- B. Full-time non-exempt Employees shall be compensated for all hours worked. No overtime shall be worked by a non-exempt Employee except as authorized by a Supervisor, Department Head or the City Administrator. A non-exempt Employee must physically work 40 hours in a scheduled work period to be eligible for overtime compensation. Full-time police patrol officers shall be eligible to receive overtime compensation for work hours in a work period that exceeds 86 hours per 14-day work period.
- C. Overtime work for non-exempt Employees, when authorized by the Employee's Supervisor, Department Head or the City Administrator, shall be compensated by monetary payment at the rate of one and one-half times the regular rate of pay. Overtime hours shall be paid to the nearest quarter hour.
- D. Overtime compensation shall be paid no later than the first payday following the pay period in which it was earned.

6.02 OVERTIME DURING AN EMERGENCY

A Supervisor, Department Head or the City Administrator may require an Employee to work overtime during emergency situations.

An emergency is a sudden or unforeseen happening that, in the opinion of a Supervisor, a Department Head or the City Administrator, requires the unscheduled service of an Employee to protect the health, welfare and safety of the community.

6.03 STORM EMERGENCY

During a storm emergency, some Employees may be unable to report to work and others may report late. A full day's absence or time less than a full day missed by non-exempt Employees shall be charged to the Employee's accrued earned leave. Time cannot be charged as leave without pay until all earned leave is exhausted.

The City Administrator may release Employees early because of inclement weather. Employees released early shall be compensated for the remainder of the work shift as if they had worked. Released time shall not be charged to accrued leave.

6.04 REIMBURSEMENT FOR WORK EXPENSES AND MILEAGE

- A. All reimbursements shall be authorized by a Supervisor, a Department Head or the City Administrator.
- B. Reimbursements to Employees for use of privately-owned vehicles or for any other personal expenses incidental to employment shall be made only when approved in advance by the City Administrator. Receipts for expenses (meals, lodging, transportation, tolls, parking fees, gratuities, etc.) shall be submitted with requisitions for reimbursements of expenditures. Reimbursement is not allowed for alcoholic beverages. Reimbursement of all such approved expenses shall be paid upon completion of the trip or return to work and submission of receipts. All expenses must be itemized on the Reimbursement Request Form (Section XVI Forms). All receipts as a result of City business shall be attached to the request form. Such reimbursements shall not be considered as part of or additional compensation for an Employee's services.
- C. Reimbursement of authorized mileage shall be calculated using the current Internal Revenue Service (IRS) rate of reimbursement for privately-owned vehicles used by City staff for official City business.
- D. Travel by means other than personal vehicle must be approved in advance by the City Administrator.
- E. Employees may request a travel stipend in advance of travel from the City Administrator. Travel stipends shall be treated as advance paid wages until all receipts from the trip are turned into the City along with any unspent monies. If expenditures exceed the travel stipend, reimbursement shall be made with appropriate documentation.
- F. No trip expenses for convention or conference trips outside the mainland United States shall be reimbursable unless authorized in advance by the Governing Body.
- G. Where an Employee's membership in a specific professional or technical organization will enhance the City's ability to render public service, an Employee may request a membership to join such an organization. No membership dues shall be reimbursed or paid by the City unless authorized in advance by the City Administrator.

SECTION VII - BENEFITS

7.01 HOLIDAYS

- A. The following days shall be paid holidays for all Full-Time Employees:
 - 1. New Years Day;
 - 2. Spring Holiday (Good Friday);
 - 3. Memorial Day;
 - 4. Independence Day;
 - 5. Labor Day;
 - 6. Thanksgiving Day;
 - 7. Day after Thanksgiving;
 - 8. Christmas Day; and
 - 9. Day before or after Christmas – the City Administrator shall designate.

- B. When one of the above designated legal holidays falls on Saturday, the holiday shall be observed on the preceding Friday. When one of the above holidays falls on Sunday, the holiday shall be observed on the following Monday.

- C. From time to time and for certain special occasions, the Governing Body may designate other days as special holidays on a one-time basis.

- D. Public Works and Police Department Employees may be required to be on-call as determined by their respective Department Heads to ensure that proper coverage is available during holidays.

- E. To be eligible for holiday pay, an Employee must not be absent without earned leave on the workday before or the workday after the holiday.

- F. Part-Time Employees, Temporary (Seasonal) Employees, and Employees on Leave of Absence are ineligible for holiday pay on City observed holidays.

7.02 TUITION REIMBURSEMENT BENEFIT

The City believes that an educated workforce is in the best interests of the City and encourages its Employees to continue their education and training.

- A. All Full-Time Employees are eligible to participate in tuition assistance benefits. Probationary Employees are ineligible for this reimbursement.

- B. Tuition assistance eligibility is evaluated by the following factors:
 - 1. Degree program or course work must be job-related, and
 - 2. The amount of course work should not interfere with job performance.

- C. Full-Time Employees who enroll in approved courses at accredited schools shall be reimbursed up to \$250 per credit hour not to exceed \$750 per semester upon proof of

successful completion. An Employee's lifetime tuition reimbursement benefit shall not exceed \$5,000. An Employee who uses the lifetime benefit shall be expected to continue employment with the City for one year following the last City reimbursement. If an Employee terminates prior to one year, the Employee shall reimburse the City an amount equal to the last reimbursement.

- D. Employees requesting the Tuition Reimbursement Benefit shall obtain approval from the City Administrator at the time of enrollment in an approved course. Reimbursement shall be paid upon receipt of proof of successful completion. Documentation must be submitted within 30 days after completion of a class to receive reimbursement. Official and original documentation shall include:
1. an itemized course listing grades, such as an official transcript or grade sheet which includes school name and student name;
 2. an itemized fee statement of classes and a receipt documenting payment of tuition; and
 3. documentation of any direct tuition reimbursement including grants, scholarships and/or government funds including GI Bills.
- E. Tuition reimbursements shall only be paid for a grade of "C" or better.
- F. No reimbursement will be made to any Employee for books, equipment, supplies, travel expenses, late or early examination fees, breakage charges, transcripts, late registration fees, course change fees, room and board or any refundable fees or charges.
- G. Employees will not qualify for reimbursement in the event of termination prior to the completion of the courses.
- H. The reimbursement benefit shall be reevaluated during each personnel policy review or when the annual tuition reimbursement reaches \$5,000 in a calendar year.

7.03 DEDUCTIONS FROM PAY

- A. The following standard deductions are authorized by law to be deducted from all Employees' pay:
- Social Security and Medicare;
 - Federal income tax;
 - state income tax;
 - retirement contributions; and
 - garnishment withholding.
- B. Only the City's Fringe Benefits can be deducted from an Employee's wages after completion of an appropriate authorization form, and all City Fringe Benefits shall be approved by the Governing Body.

7.04 EMPLOYEE BENEFITS REQUIRING EMPLOYEE CONTRIBUTIONS

- A. Only Full-Time Employees are eligible to be enrolled in the City's group health care insurance plan (medical, prescription, dental and vision). Effective July 1, 2007, the City shall pay 80% of the health care insurance and the full-time employee shall pay 20% of the health care insurance.
- B. Only Full-Time Employees are eligible to be enrolled in the City's life, accidental death and disability and short-term disability insurance plans. The City shall pay 100% of the cost of these plans.

7.05 ADDITIONAL INSURANCE FOR EMPLOYEES

- A. Workers Compensation is an insurance plan provided by the employer by law to provide certain benefits to Employees for personal injuries arising out of or in the course of employment. Workers Compensation Insurance covers all Employees of the City.

Every on-the-job injury shall be reported to the Employee's Supervisor, Department Head or City Administrator during the shift in which the injury occurred and a written report must be forwarded to the City Administrator as soon as possible.

When an Employee is injured on the job, the Employee is entitled to certain benefits while off work, as approved by the insurance company. Benefits shall be paid to the Employee from the Workers Compensation carrier.

- B. The City provides liability insurance protection for each Employee responsible for the operation of City-owned vehicles and equipment for bodily injury and property damage.

The City will indemnify and hold harmless said Employees for any claim or action against them incurred from or arising out of the performance of their duties as City Employees.

The City will not indemnify and hold harmless said Employees whose actions have been determined by a court of law to be grossly and wantonly negligent or an intentional tort.

Employees are required to have a valid Kansas driver's license recorded with the City prior to operating a City vehicle.

7.06 POST-EMPLOYMENT PROGRAMS

- A. Social Security and Medicare are administered by the federal government and are supported by joint contributions from the Employee and the employer as established by federal law. These contributions are based on a percentage of the Employee's salary. The Employee's contribution is made through a payroll deduction. Any Employee seeking

specific information concerning Social Security or Medicare should contact the Social Security Administration.

- B. Kansas Public Employees Retirement System (KPERS) is a qualified governmental section 401(a) defined benefit pension plan. Membership is mandatory for all eligible Employees in covered Positions. Both the Employee and the City contribute to the system. Employee and City contributions are set by Kansas statute. The contribution rate fluctuates depending on the funding needs of the retirement system. An Employee Information Manual is provided to each Employee at the time of enrollment in the KPERS system. Questions regarding KPERS should be directed to the City Clerk.

- C. All Full-Time Employees are eligible to participate in the cafeteria plan offered by the City. Under this plan the Employee determines how much to contribute up to the maximum that is determined annually by the plan. The amount selected is deducted from the Employee's pay and may be used to reimburse medical and dependent care expenses. The amount contributed is not subject to federal income tax. The cost of this benefit is paid entirely by the Employee. Questions regarding the cafeteria plan should be directed to the City Clerk.

SECTION VIII - LEAVE POLICIES

8.01 EARNED LEAVE

- A. Earned Leave - Earned Leave shall be based on years of service. Earned leave time shall be used for vacations, illness, personal business, bereavement or as otherwise deemed appropriate with approval of a Supervisor, a Department Head or the City Administrator. Earned leave shall accrue based on the following years of service:

Years of Service	Days Per Month	Total Days Per Year	Earned per Pay Period (26 per year)
Zero to Five	1.50	18	0.692308
Five to Ten	1.75	21	0.807692
Ten to Fifteen	2.00	24	0.923077
Fifteen to Twenty	2.25	27	1.038462
Twenty and more	2.50	30	1.153846

- B. Earned leave is granted only to all Full-Time Employees. Part-Time Employees, Temporary or Seasonal Employees, and Employees on Leave of Absence are ineligible for earned leave.
- C. Employees begin earning leave on their Date of Hire and an earned leave year is the year commencing from the Date of Hire. No earned leave shall be utilized during the first six months of employment.
- D. Hourly Employees shall use earned leave in units of not less than one hour and the minimum amount that can be used at any one time is one hour. Salaried Employees shall declare leave per the Federal Labor Standards Act guidelines.
- E. The Department Head or the City Administrator shall approve and schedule earned leave to ensure minimal disruption of departmental and City operations.
- F. Earned leave shall be taken in the year earned. No more than 240 hours shall be carried forward.
- G. On an Employee's Anniversary Date of Hire, hours in excess of 240 hours carried forward shall be compensated at the Employee's hourly rate. Compensation (buy-back) on the Anniversary Date shall be limited to a maximum of 40 hours for Employees in excess of 240 hours.
- H. When a holiday falls within an Employee's authorized leave time, the Employee shall be entitled to holiday leave without a deduction from accrued earned leave.
- I. All Full-Time Employees shall take at least one uninterrupted week of earned leave per year except first-year Employees.

- J. Earned leave may not be taken in duration of greater than two weeks without prior approval of a Department Head and the City Administrator.
- K. An Employee shall be compensated for all earned but unused leave at the final rate of pay upon resignation. No earned leave shall be paid upon Dismissal.
- L. Only continuous service shall count toward eligibility of earned leave benefits. Approved Leave of Absence shall count toward continuous service.
- M. No earned leave credit shall be given to an Employee while on leave without pay.
- N. Sick leave accrued under the previous personnel policy prior to January 1, 2008, beyond the combined maximum of 20 days shall be carried over but not converted to earned leave. Employees who carry over sick leave may use the accrued sick leave after earned leave has been exhausted. This accrued sick leave is for the Employee's personal use only and may not be utilized for paid time off under any other circumstances. If an Employee has not used all of the accrued sick leave prior to termination, the Employee will not be paid for the unused sick leave upon termination.

8.02 CIVIL LEAVE

- A. An Employee shall be given necessary time off without loss of pay:
 - 1. when performing jury duty;
 - 2. when appearing in court as a witness in answer to a subpoena, when acting in an official capacity in connection with the City or as an expert witness either because of professional or observed knowledge; or
 - 3. for the purpose of election board or voting when the polls are not open at least two hours before or after the Employee's scheduled hours of work.
- B. If an Employee is involved in court in a personal case either as a plaintiff or as defendant in a suit not resulting from their duties with the City, the Employee may be granted leave without pay unless they elect to utilize any accumulated earned leave.

8.03 FAMILY MEDICAL LEAVE ACT

- A. The Leave Policy - Employees are eligible to take up to 12 weeks of unpaid family/medical leave within any 12-month period and be restored to the same or an equivalent Position upon return from leave provided that Employees: (1) have worked for the City for at least 12 months and for at least 1,250 hours in the last 12 months. The City will measure the 12-month period during which leave may be taken as a rolling 12-month period measured backward from the date an Employee uses any leave under this policy. Each time an Employee takes leave, the City will compute the amount of leave the Employee has taken under this policy and subtract it from the 12 weeks available leave and the balance remaining is the amount the Employee is entitled to take at that time. For

example, if an Employee used four weeks of leave beginning February 1, 2006, four weeks beginning June 1, 2006, and four weeks beginning December 1, 2006, the Employee would not be entitled to any additional leave until February 1, 2007. On February 1, 2007, the Employee would be entitled to four weeks of leave.

- B. Reasons For Family/Medical Leave - An Employee may take family/medical leave for any of the following reasons: (1) the birth of a son or daughter and in order to care for such son or daughter; (2) the placement of a son or daughter with Employee for adoption or foster care; (3) to care for a spouse, son, daughter or parent ("covered relatives") with a serious health condition; or (4) because of the Employee's own serious health condition which renders the Employee unable to perform the functions of the Position. Entitlement to leave because of reasons "1" or "2" expires 12 months after the date of birth or placement. In addition, spouses employed by the City who request leave because of reasons "1" or "2" or to care for an ill parent may only take a combined total of 12 weeks of leave during any 12-month period.

- C. Leave Notice - If the Employee's need for family/medical leave is foreseeable, the Employee must give the City 30 days advance written notice. If this is not possible, the Employee must at least give notice as soon as practicable (within one to two business days of learning of the need for leave). Failure to provide such notice may be grounds for delay of leave. Where the need for leave is not foreseeable, the Employee is expected to notify the City within one to two business days of learning of the need for leave, except in extraordinary circumstances. The City has Request for Family/Medical Leave Forms available from the City Clerk. The Employee shall use these forms when requesting leave.

- D. Medical Certification - If the Employee is requesting leave because of a serious health condition or a covered relative's serious health condition, the Employee and the relevant health care provider must supply appropriate medical certification. A Medical Certification Form may be obtained from the City Clerk. When leave is requested, the City will notify the Employee of the requirement for medical certification and when it is due (at least 15 days after requested leave). Failure to provide requested medical certification in a timely manner may result in denial of leave until it is provided. The City, at its expense, may require an examination by a second health care provider designated by the City if it reasonably doubts the medical certification initially provided. If the second health care provider's opinion conflicts with the original medical certification the City, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. The City may require subsequent medical recertification on a reasonable basis.

- E. Reporting While On Leave - If the Employee takes leave because of serious health condition or to care for a covered relative, the Employee must contact the City on the first and third Tuesday of each month regarding the status of the condition and the Employee's intention to return to work.

- F. Leave Is Unpaid - Family/medical leave is unpaid, although the Employee may be eligible for workers' compensation benefits under that insurance plan. If leave is requested because of a birth, adoption or foster care placement of a child, any accrued paid earned leave first will be substituted for any unpaid family/medical leave. If the Employee requests leave because of serious health condition, any accrued paid earned leave first will be substituted for any unpaid family/medical leave. The substitution of paid leave time for unpaid leave time does not extend the 12-week leave period.
- G. Medical And Other Benefits - During an approved family/medical leave, the City will maintain the Employee's health benefits as if the Employee continues to be actively employed. If paid leave is substituted for unpaid family/medical leave, the City will deduct the Employee's portion of the health plan premium as a regular payroll deduction. If leave is unpaid, the Employee must continue to pay the Employee's portion of the premium. Health care coverage will cease if the premium payment is more than 30 days late. If the Employee elects not to return to work at the end of the leave period, the Employee will be required to reimburse the City for the cost of the premiums paid by the City for maintaining coverage during unpaid leave, unless the Employee cannot return to work because of a serious health condition or other circumstances beyond the Employee's control.
- H. Exemption For Highly Compensated Employees - Highly compensated Employees (i.e., highest paid 10% of Employees at a worksite or within a 75-mile radius of that worksite) may not be returned to their former or equivalent Position following a leave if restoration of employment will cause substantial economic injury to the City. The City will notify the Employee if the Employee qualifies as a "highly compensated" Employee if the City intends to deny reinstatement of rights in such instances.
- I. Intermittent And Reduced Schedule Leave - Leave because of a serious health condition may be taken intermittently (in separate blocks of time due to a single health condition) or on a reduced leave schedule (reducing the usual number of hours the Employee works per workweek or workday) if medically necessary. If leave is unpaid, the City will reduce the Employee's salary based on the amount of time actually worked. In addition, while the Employee is on an intermittent or reduced schedule leave, the City may temporarily transfer the Employee to an alternative Position which better accommodates recurring leave and which has equivalent pay and benefits.
- J. Returning From Leave - If an Employee takes leave because of a serious health condition, the Employee is required to provide medical certification in order to resume work. Return to Work Medical Certification Forms may be obtained from the City Clerk. Employees failing to provide the Return to Work Medical Certification Form shall not be permitted to resume work until it is provided.
- K. State And Local Family And Medical Leave Laws - Where state or local family and medical leave laws offer more protections or benefits to Employees, the protections or benefits provided by such laws will apply.

L. Definitions - For the purposes of this policy, the following definitions apply:

"Spouse" is defined in accordance with applicable State law.

"Parent" includes biological parents and individuals who acted as the Employee's parents, but does not include parent-in-law.

"Son" or "daughter" includes biological, adopted, foster children, stepchildren, legal wards and other persons for whom the Employee acts in the capacity of a parent and who is under 18 years of age or over 18 years of age but incapable of caring for themselves.

"Serious health condition" means any illness, injury, impairment or physical or mental condition that involves: (1) an incapacity or treatment in connection with inpatient care; (2) an incapacity requiring absence of more than three calendar days and continuing treatment by a health care provider; or (3) continuing treatment by a health care provider of a chronic or long-term condition that is incurable or will likely result in incapacity of more than three days if not treated.

"Continuing treatment" means: (1) two or more treatments by a health care provider; (2) two or more treatments by a provider of health care services [e.g., physical therapist] on referral by or under orders of a health care provider; (3) at least one treatment by a health care provider which results in a regimen of continuing treatment under the supervision of the health care provider [e.g., a program of medication or therapy]; or (4) under the supervision of, although not actively treated by, a health care provider for a serious long-term or chronic condition or disability which cannot be cured [e.g., Alzheimer's or severe stroke].

"Health Care Provider" includes: licensed MD's and OD's, podiatrists, dentists, clinical psychologists, optometrists, chiropractors authorized to practice in the State, nurse practitioners and nurse-midwives authorized under State law and Christian Science practitioners.

"Needed to care for" a family member encompasses: (1) physical and psychological care; and (2) where the Employee is needed to fill in for others providing care or to arrange for third party care of the family member.

The phrase "unable to perform the functions of the job" means an Employee is: (1) unable to work at all; or (2) unable to perform any of the essential functions of the Position. The term "essential functions" is borrowed from the Americans with Disabilities Act ("ADA") to mean "the fundamental job duties of the employment position" and does not include the marginal functions of the Position.

8.04 MILITARY LEAVE

The Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. §§ 4301-4333, requires employers to grant unpaid leave to Employees who are members of or enlist in one of the uniformed services.

- A. Giving of Notice - Employees must provide advance notice of military service to the City. Notice may be either written or oral. It may be provided by the Employee or by an appropriate officer of the branch of the military in which the Employee will be serving.
- B. Length of Absence - The cumulative length of absence of an Employee to serve in the uniformed services, after December 12, 1994, may not exceed five years.

Exceptions to the cumulative five-year limit will be made for:

1. Service required beyond five years to complete an initial period of obligated service.
 2. Service from which an Employee, through no fault of the person, is unable to obtain a release within the five-year period.
 3. Required training for members of the National Guard and Reserves.
 4. Service under an involuntary order to active duty or to be retained on active duty during a domestic emergency or national security related situations.
 5. Service under an order to active duty or to remain on active duty during a war or national emergency declared by the President or Congress.
 6. Active duty (other than for training) by Volunteers supporting “operational missions” for which selective reservists have been ordered to active duty without their consent.
 7. Federal service by members of the National Guard called into action by the President to suppress an insurrection, repel an invasion or to execute the laws of the United States.
- C. Return to Work - A person whose military service lasts from one to 30 days must report to the City by the beginning of the first regularly scheduled work day that would fall eight hours after the person returns home from military service. Military service includes reasonable time for travel to and from the place of service.

A person whose military service lasts from 31 to 180 days must make application for reemployment no later than 14 days after completion of the period of military service.

A person whose military service lasts more than 180 days must make application for reemployment no later than 90 days after completion of the period of military service.

- D. Reemployment Position - A person serving from one to 90 days will be reemployed in the Position the person would have held had the person remained continuously employed so long as the person is qualified for the Position or can become qualified after reasonable efforts by the Supervisor to qualify the person.

A person serving 91 days or more will be reemployed in (1) the Position the person would have held had the person been continuously employed, or (2) a Position of equivalent seniority, status and pay so long as the person is qualified for the Position or can become qualified after reasonable efforts to qualify the person. If the person cannot become qualified in (1) or (2), the person will be reemployed in any other Position of lesser status and pay that the Employee is qualified to perform with full seniority.

The City may request that a person who is absent for a period of service of 31 days or more document the period of military service to show that the application for reemployment was timely, the person has not exceeded the five-year limitation, and the person's character of service was honorable. Where a person is absent for 91 days or more, the City may delay making retroactive pension contributions until the person submits satisfactory documentation.

- E. Rights of Reemployed Persons - Benefits will be continued during a military leave according to applicable state and Federal regulations. Upon reemployment, persons are entitled to all seniority-related benefits as if they had remained continuously employed. Service members will be provided all rights and benefits not based on seniority to the extent that those rights and benefits are available to other Employees on non-military leaves of absence whether paid or unpaid. If there is a variation among different types of non-military leave, the most favored treatment will be accorded the service member. If, prior to leaving for military service, an Employee knowingly provides clear written notice of an intent not to return to work after military service, the Employee waives entitlement to non-seniority leave-of-absence rights and benefits. The Employee must be aware of the specific rights and benefits to be lost. If the Employee lacks the awareness or is otherwise coerced, the waiver will be ineffective.

Notice of intent not to return to work can waive only non-seniority leave-of-absence rights and benefits. Service members cannot surrender other rights and benefits that a person would be entitled to under the law, particularly reemployment rights. Service members will be required to pay the Employee cost, if any, of any funded benefits to the extent that other Employees on leave-of-absence would be required to pay.

- F. Non-Discrimination - USERRA prohibits discrimination against any person who serves in the uniformed services. The law also prohibits acts of reprisal against service members and those who would testify or witness to discrimination against uniformed service members. Non-discrimination clauses of the statute cover persons who are members of, who apply to be members of, perform, have performed, have applied to perform, or have an obligation to perform service in a uniformed service.
- G. Health Benefits - Persons who have coverage under a health plan in conjunction with the person's Position of employment may elect to continue such coverage. The maximum period of coverage of the person and the person's dependents shall be the lesser of: (1) the 24-month period beginning on the date on which the person's absence begins, or (2) the day after the date on which the person fails to apply for or return to a Position of employment within the specified timeframes required by the statute.

A person who elects to continue health plan coverage may be required to pay not more than 102% of the full premium under the plan. A person whose health plan was terminated by reason of service in the uniformed services may not be required to complete a waiting period for reinstatement of coverage following reemployment.

8.05 EDUCATION LEAVE

Employees, upon written request, may be granted leave without pay for a period of up to one year to further their education or seek specialized training upon recommendation of the Employee's Department Head or the City Administrator subject to the approval of the Governing Body.

8.06 LEAVE OF ABSENCE

An Employee, upon written request and with the recommendation of their Department Head or the City Administrator, may be granted a Leave of Absence without pay for a period of up to six months, subject to the approval of the Governing Body.

8.07 LEAVE OF ABSENCE FOR VICTIMS OF DOMESTIC VIOLENCE AND SEXUAL ASSAULT

A Leave of Absence under this policy may be taken for any of the following purposes:

- A. Obtaining or attempting to obtain any relief, including, but, not limited to, a temporary restraining order, relief to help ensure the health, safety or welfare of the Employee or the Employee's child or children;
- B. Seeking medical attention for injuries caused by domestic violence or sexual assault;
- C. Obtaining services from a domestic violence shelter, domestic violence program or rape crisis center as a result of domestic violence or sexual assault; or
- D. Making court appearances in the aftermath of domestic violence or sexual assault.

The Employee shall provide the Supervisor with reasonable advance notice of the Employee's intention to take time off for one of the above purposes, unless it is not possible to provide advance notice.

The Employee shall also provide the Supervisor with documentation to support the need for leave for one of the above purposes within 48 hours after returning from the requested leave. The supporting documentation may include, but is not limited to, the types of documentation listed below.

In the event of an unscheduled absence for one of the above purposes, no Disciplinary Action will be taken against the Employee if the Employee provides a certification to the Supervisor

within 48 hours after the beginning of the unscheduled absence. The certification may be in any of the following forms:

- A. A police report indicating that the Employee was a victim of domestic violence or sexual assault;
- B. A court order protecting or separating the Employee from the perpetrator of an act of domestic violence or sexual assault, or other evidence from the court or prosecuting attorney that the Employee has appeared in court;
- C. Documentation from a medical professional, domestic violence advocate or advocate for victims of sexual assault, health care provider or counselor that the Employee was undergoing treatment for physical or mental injuries or abuse resulting from an act of domestic violence or sexual assault.

Any Supervisor receiving supporting documentation for a Leave of Absence under this policy shall forward such documentation to the City Clerk but shall otherwise maintain the Employee's confidentiality regarding the reason for the leave and the supporting documentation.

Employees may choose to substitute available paid leave for unpaid leave under this policy. However, substituting paid leave for unpaid leave shall not increase the number of days of leave available under this policy in each calendar year.

No Employee shall be subjected to Dismissal or retaliation for taking leave pursuant to this policy.

SECTION IX - USE OF CITY RESOURCES

9.01 USE AND MAINTENANCE OF CITY EQUIPMENT

Employees are authorized to use City equipment, facilities and vehicles for official business only. City vehicles may not be used for transportation to and from work without the approval of the City Administrator, with the exception of police vehicles assigned to Police Officers by the Chief of Police. All equipment is to receive proper maintenance at specified intervals. All City property must be returned upon termination of employment with the City.

9.02 USE OF COMMUNICATION SYSTEMS

It is the policy of the City to provide a communication system and equipment necessary to promote the efficient conduct of its business. Communication systems include mail, electronic mail ('email'), courier services, facsimiles, telephone systems, personal computers, computer networks, online services, Internet connections, computer files, video equipment and digital recordings, cellular phones, voice mail and social media. Department Heads or Supervisors are responsible for instructing Employees on the proper use of the communications services and equipment used by the City for both internal and external business communications.

- A. All City communication systems (including the messages transmitted or stored by Employees) are the sole property of the City. Accordingly, the City reserves the right to access and monitor Employee communications and files as it deems appropriate.
- B. Online services and the Internet may be accessed only by Employees specifically authorized. Employees' online use should be limited to work related activities. In addition, Employees should not duplicate or download from the Internet or from an email any software or materials that are copyrighted, patented, trademarked or otherwise identified as intellectual property without express permission from the owner of the material.
- C. Employees should ensure that no personal correspondence of any kind appears to be an official communication of the City. All outgoing messages, whether by mail, facsimile, email, Internet transmission or any other means, should be accurate, appropriate and work related. Employees may not use the City's address for receiving personal mail or use the City letterhead, postage or mail supplies for personal use.
- D. There shall be no display or transmission of sexually explicit images, messages or cartoons or any transmission or use of email communications that contain ethnic slurs, racial epithets or anything that may be construed as harassment or disparagement of others based on their race, national origin, sex, sexual orientation, age, disability or religious or political beliefs.
- E. Any email or other communications sent or received via the Internet must be appropriate for the workplace. Remember that email is a relatively permanent form of

communication. Do not transmit anything in an email message that the Employee would not be comfortable writing in a letter or memo. Deletion of an email message does not eliminate backup copies of the message that are automatically stored electronically.

- F. Use of the Internet to view, access, upload, download, store, transmit, create or otherwise manipulate pornographic or other sexually explicit materials is prohibited.
- G. Employees are expected to act in a responsible and professional manner when they use the Internet and email. Actions that may cause interference with the Internet or disruption of work activities are prohibited.
- H. Improper use of communication systems includes any misuse as described in this policy and any misuse that would result in violations of other City policies as well as any harassing, offensive, demeaning, insulting, defaming, intimidating or sexually suggestive written, recorded or electronically retrieved or transmitted communications.
- I. Violation of this policy shall result in appropriate Disciplinary Action up to and including Dismissal.

9.03 CELLULAR TELEPHONE USAGE

- A. Employees are not permitted to make or receive a cellular call while operating a City vehicle or City equipment or operating any other vehicle while conducting City business.
- B. Unless authorized by the City Administrator, the use of personal cell phones for personal use is prohibited during scheduled work hours except for an emergency.
- C. Employees must adhere to all federal, state and local laws and regulations regarding the use of cell phones including rules regarding usage while driving.
- D. Violation of this policy shall subject an Employee to Disciplinary Action up to and including Dismissal.

9.04 OTHER ELECTRONIC COMMUNICATION SYSTEMS

- A. Employees are not permitted to use any handheld device including laptops or any other electronic communicative devices while operating a City vehicle or City equipment or operating any other vehicle when conducting City business.
- B. Unless authorized by the City Administrator, the use of personal electronic equipment for personal reasons is prohibited during scheduled work hours except for an emergency.

SECTION X - CONDUCT, ETHICS, DISCIPLINARY ACTION AND THE GRIEVANCE PROCESS

10.01 CODE OF CONDUCT

Rules and regulations governing Employee Disciplinary Action are designed to provide guidance for all levels of supervisory personnel in the handling of Employee misconduct or unsatisfactory work performance. The following list of infractions is intended to provide examples of misconduct but is not all-inclusive.

A. Insubordination includes:

1. Refusing to obey the lawful order of a Supervisor or Department Head;
2. Ridiculing, belittling or inappropriately questioning the ability of a Supervisor or Department Head;
3. Lying or other unprofessional behavior;
4. Failure to follow the Chain of Command – see Organizational Chart, Section XIV;
5. Displaying inappropriate behavior unbecoming to the Position held, including any act or omission which could tend to disrupt the economical or efficient conduct of the business of the City; or
6. Displaying offensive conduct or using offensive language, or harassment of the public, Elected Officials, Department Heads, Supervisors or other Employees.

B. Attendance and Timeliness includes:

1. Employees must adhere to assigned work schedules, shall not be tardy and shall not be absent from work without approval.
2. Employees shall not be absent from work without leave or fail to report to work after a Leave of Absence has expired or after such Leave of Absence has been disapproved or revoked.

10.02 CODE OF ETHICS

The Governing Body has determined that the public trust and the enhancement of the integrity of governmental operations may only be secured by the exhibition of the highest standards of integrity and responsibility by the Employees who undertake service to the citizens of the City of Maize.

A. Conflicts of Interest -

1. Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. Employees who have a financial or other private interest in any proposed City legislation shall disclose the nature and the extent of such interest in writing to the City Administrator.

2. No Employee shall serve as an official voting member on any City committee or board. However, Employees may be appointed by either the Governing Body or City Administrator to serve as a staff person or liaison for the City.
 3. In order to ensure fair and impartial treatment of all Employees, any Employee choosing to become a candidate for an elected Position with the City shall not continue as an Employee of the City.
 4. Employees shall not actively campaign for candidates for any City office or for any City issues.
 5. Employees shall not sell or barter anything to the City or to a contractor doing work with the City.
- B. Public Relations - Every City Employee shall continually strive to promote good public relations for the City.
1. Public statements, press releases or the release of information on any matter shall be referred to the City Administrator.
 2. Employees shall give fair and equal treatment to all citizens and fellow Employees.
- C. Gratuities - Employees shall not accept from any person, business or organization any gift including such items as money, tangible or intangible personal property, food, beverage, loan, promise, service or entertainment for the benefit of the Employee or department. Holiday gifts presented to Employees shall be shared with all Employees and the public.
- D. Health, Safety and Welfare Concerns -
1. No Employee shall violate the City's policy regarding use of intoxicating beverages or drugs or be under the influence of these substances while at work.
 2. Criminal conduct, as determined by any court of competent jurisdiction, shall result in Disciplinary Action up to and including Dismissal.
 3. Violation of any law including City ordinance, City policy, City rule or regulation, department level rule or regulation or the City's Code of Ethics (contained in this policy manual) shall result in Disciplinary Action up to and including Dismissal.
 4. The City intends to use legal, managerial, administrative and disciplinary procedures to protect the workplace from violence and to reasonably protect Employees and members of the public. Any violent act(s) committed by Employees or Employees in possession of dangerous weapons shall be subject to Disciplinary Action up to and including Dismissal, or prosecution as appropriate.
 5. Improper use of City communication services or equipment shall result in discipline, up to and including Dismissal.

10.03 FORMS OF DISCIPLINARY ACTION

It shall be unlawful for any Employee of the City to knowingly violate any of the provisions of this section. An Employee shall be subject to Disciplinary Action up to and including

Dismissal if found in violation of this section. Disciplinary Action will be commensurate to the severity of the misconduct.

A. Administrative Disciplinary Action may take any of the forms set forth below. Disciplinary Action may involve progressive action or a single action on the part of the City at the discretion of the City Administrator.

1. Reprimand - A notice to an Employee in either verbal or written form of a violation of any City policy.
 - a. Verbal reprimand - usually given for minor violations.
 - b. Written reprimand - usually given in situations where a verbal reprimand is not forceful enough or where a verbal reprimand has not proven corrective. A written reprimand shall be signed by both the Employee and the Supervisor and a copy forwarded to the City Administrator for inclusion in the Employee's Personnel File. The Employee's signature does not indicate agreement with the charges, only notice of receipt. The Employee may file a letter of response to the reprimand and the letter shall be attached to the reprimand in the Personnel File.
2. Suspension - An Employee is placed in a non-duty status, with or without pay. A Department Head, with the approval of the City Administrator, has the discretion to determine whether the Suspension shall be paid or unpaid and the length and dates of the Suspension. Days off without pay due to a Suspension shall not necessarily be consecutive.

Notification of a Suspension shall be in writing and shall include the reason(s) for and duration of the Suspension, when the Suspension shall take place, whether the Suspension shall be paid or unpaid and any terms the Employee must meet before returning to work. A copy of this notification shall be placed in the Employee's permanent Personnel File. When an Employee is suspended following arrest for a criminal charge, Suspension may be in effect until such time as a judgment is rendered by the court. Long-term Suspension may require the Employee to assume responsibility for all costs associated with all City Fringe Benefits.

3. Demotion - An Employee is involuntarily transferred to a Position with a lower salary range due to an unsatisfactory job performance or for disciplinary reasons. No demotion shall be made as a Disciplinary Action unless the Employee to be demoted is able to perform all of the essential functions of the lower Position. Notification of a demotion shall be in writing and shall include the reason(s) for the demotion, when the demotion shall take place and any other terms of the demotion. Notification of demotion shall be made at least one calendar week before the demotion takes effect, and such notification shall be placed in the Employee's permanent Personnel File.
4. Dismissal - An Employee is permanently relieved of work responsibilities and duties and asked to leave the worksite. Notification of Dismissal shall be in writing and shall include the reason(s) and date the Dismissal takes effect. However, immediate Dismissal may require notification after the fact.

- a. Voluntary Dismissal - initiated by the Employee or by mutual consent.
- b. Involuntary Dismissal - initiated by the Employee's Supervisor or Department Head.

10.04 APPEALS OF DISCIPLINARY ACTION

- A. Right of Appeal - Employees have the right to appeal any Disciplinary Action in the same manner as that set forth for any other Employee Grievance. However, appeals of demotions or Suspensions of three or more days shall be initiated directly at “Step 3” of the Grievance procedure.
- B. Pre-Termination Review - Employees who are dismissed from City service may request a pre-termination review. This request must be made within 24 hours of notice of the Dismissal. The Employee shall have two work days in which to submit to the Department Head or City Administrator written reasons and explanations contesting the action. Upon examination of this information, the Department Head or City Administrator may decide that the Dismissal is improper and may reinstate the Employee and impose appropriate Disciplinary Action in lieu of the Dismissal. If the Dismissal is upheld, the Department Head shall notify the Employee in writing and the original Dismissal shall stand. Employees shall remain suspended with pay until the conclusion of the pre-termination review.

10.05 GRIEVANCE PROCEDURE (ARISING FROM WORKING CONDITIONS OR ARISING FROM DISCIPLINARY ACTION)

- A. Purpose Statement - A Grievance is a dispute relating to the working conditions of Employees that constitute a violation of this personnel policy or a dispute arising out of a Disciplinary Action. The purpose of this procedure is to secure resolution of any Grievance which may arise at the lowest administrative level possible.
- B. Chain of Command - Any Employee may make a request, register a complaint or submit a recommendation about any policy, rule, regulation or treatment that is believed to be unfair or contrary to the Employee’s best interest, the department’s best interest or the City’s best interest, providing that this is done through the Chain of Command. Because personnel matters are administrative concerns and often subject to rules of confidentiality, Employees are not permitted to take Grievances to the Governing Body or to individual Elected Officials, either directly or indirectly, by any means except through the Chain of Command.
- C. Written Grievance - A written Grievance shall be presented first to the immediate Supervisor as set forth below. It shall be the responsibility of the Supervisor, within the scope of authority, to endeavor to resolve or handle the matter to the satisfaction of subordinates. However, when the matter being grieved is the result of a policy or ordinance established at a higher level of the supervisory structure or by the Governing Body, the Supervisor must conform the decision to such policy.

D. General Provisions -

1. No Employee shall utilize this procedure to file Grievances relating to:
 - a. federal or state statutes where a lawsuit has been filed or a complaint has been submitted to a government agency;
 - b. policies and ordinances enacted by the Governing Body other than those directly and clearly related to such Employee's employment; or
 - c. matters where the Employee has no direct employment interest.
2. Any hearing pursuant to this Grievance procedure shall be conducted at a time and place which shall afford a fair and reasonable opportunity for all persons (including witnesses) entitled to be present. Time limits specified in this procedure may be changed by mutual agreement of the parties involved in the Grievance. In the event of an approved absence of the grievant or the appropriate Supervisor or City Administrator, time limits shall be temporarily suspended.
3. Grievances arising from the action of an Elected Official or supervisory Employee other than the immediate Supervisor of the Employee can be initiated with the Department Head or City Administrator at "Step 2" of the Grievance procedure.
4. Appeals of Dismissals, involuntary demotions or Suspensions of three or more days shall be initiated directly at "Step 3" of the Grievance procedure.
5. Details of Grievances and Grievance proceedings shall be kept confidential.
6. An Employee shall not be interfered with, restrained, discriminated against or subject to any retaliation as the result of the presentation of a Grievance.
7. An Employee who alleges a violation of civil rights such as discrimination or harassment may elect to pursue a Grievance through the Grievance procedure contained in this Policy Manual if a lawsuit has not been filed or a complaint has not been submitted to a government agency.
8. At no time shall an Employee take a Grievance directly to the Mayor, a member of the Governing Body or the Governing Body.

E. Grievance Procedure -

1. Step 1

- a. Within five working days of the time that the grievant knew or reasonably should have known of the Grievance, the grievant shall orally present the Grievance to the immediate Supervisor. The Supervisor shall respond to the complaint within five working days after presentation of the Grievance.

2. Step 2

- a. If the Grievance is not resolved at "Step 1" the Employee may file the Grievance in writing with the Department Head within five working days after receiving a response from the immediate Supervisor.
- b. The Grievance shall state:
 - 1) the name of the Employee or group of Employees involved;
 - 2) the facts giving rise to the Grievance;
 - 3) the administrative regulations or policies at issue;
 - 4) the contention of the grievant with respect to the Grievance;
 - 5) the decision of the Employee's Supervisor; and
 - 6) the specific relief requested.

The Department Head shall present a written response to the Employee within five working days of receipt of the Grievance.

3. Step 3

- a. If the Grievance is not resolved at “Step 2” the Employee may file an appeal of the decision with the City Administrator within five working days of receipt of the decision from the Department Head. Except as specified in paragraph “f” below, a Grievance Board hearing shall be scheduled as soon as practical.
- b. The Grievance Board shall consist of three members, which shall include the City Attorney, a non-exempt Employee and an exempt Employee. No witness to or party to the Grievance or immediate family member to either party may be a Grievance Board member. First the grievant shall choose one Employee for the Grievance Board; then the City Administrator shall choose the other Employee.
- c. In order to properly investigate any appeal of a Grievance the party hearing the appeal may request the production of records, reports or any other information deemed appropriate.
- d. After the hearing, the Grievance Board shall prepare findings of fact and a recommendation which shall be forwarded to the City Administrator for consideration within five working days of the close of the hearing.
- e. The City Administrator shall make a decision within five working days of the receipt of the recommendation whether or not to accept the recommendation of the Grievance Board and shall provide a written response to the Employee. This decision is final.
- f. Upon written request to the City Administrator, the grievant may elect to have the Grievance heard by the City Administrator in lieu of a Grievance Board. If the grievant elects to do so, a hearing with the City Administrator shall be scheduled within five working days of receipt of the appeal. The City Administrator shall provide a written response to the grievant within five working days of the close of the hearing. This decision is final.

SECTION XI - HEALTH, SAFETY AND WELFARE OF EMPLOYEES

11.01 PHYSICAL OR MENTAL EXAMINATION

Any Employee may be asked to submit to a physical or mental examination when requested by a Supervisor or Department Head and approved by the City Administrator. The cost of such examination shall be paid by the City and the City shall select a health care provider. The examination shall be for the purpose of verifying that the Employee is both mentally and physically able to perform the essential functions of a Position. Information on an Employee's medical condition or history shall be kept confidential and separate from the Employee's Personnel File. Access to this information shall be limited to those who have a legitimate need to know. Refusal to submit to a request for an examination shall be treated as insubordination.

11.02 REPORTING ACCIDENTS, INJURIES, THEFT AND DAMAGE TO PROPERTY

A. The following shall be reported to the City Police Department and City Administrator:

1. All accidents involving City-owned vehicles whether or not the City vehicle is damaged or occupied at the time of the accident;
2. All accidents, incidents or occurrences resulting in any injury to an on-duty City Employee, irrespective of the need for medical treatment;
3. Any losses, thefts or damage to City facilities, equipment or property;
4. Any accidents, incidents, occurrences or conditions resulting in property damage or personal injury to any person not employed by the City but caused by, attributable to or involving an on-duty City Employee or occurring in or on City-owned property, facilities or vehicles; or
5. All incidents, occurrences or conditions of any nature which result in or could possibly result in monetary claims or legal action against the City or its insurers.

B. The Police Department shall conduct any appropriate investigations and report in writing the results of such investigation to the City Administrator.

C. The Chief of Police, upon approval from the City Administrator, shall request the assistance of outside agencies in conducting any investigations when conflict-of-interest issues or complex technical matters are involved or apparent.

D. Failure to report any accidents, incidents, occurrences, etc. shall be cause for Disciplinary Action.

11.03 SUBSTANCE ABUSE POLICY

It is the policy of the City to provide a work environment which is free from the use, sale, possession or distribution of illegal drugs or the improper or abusive use of legal drugs or

alcohol on City premises, and to require City Employees to perform all job duties, either on or off City premises, without the presence of illegal drugs, alcohol or inappropriate legal drugs in their systems.

The following are definitions of the substance abuse policy:

Alcohol - The product of distillation of any fermented liquid, whether rectified or diluted, whatever the origin and includes synthetic ethyl alcohol and is considered a drug.

Drug - Any chemical substance which produces physical, mental, emotional or behavioral changes in the user.

Controlled Substance - Any substances listed under the Uniform Controlled Substances Act of the State of Kansas.

Illegal Drugs - Drugs for which the possession, use, sale or distribution is unlawful pursuant to the laws of the State of Kansas or any federal law or regulation. This term may also include the unlawful use of prescription drugs.

Intoxicating Substance - Any substance which produces a change in one's physical, mental or emotional state or behavior.

Drug and Alcohol Test - A chemical test administered for the purpose of determining the presence or absence of a drug or its metabolites or alcohol in a person's bodily tissue, fluids or products.

Possession - Having controlled substances which are not obtained directly from either a doctor or pharmacist using a valid prescription. Such possession or use of controlled substances is unlawful pursuant to the laws of the State of Kansas as well as federal laws and regulations.

Reportable Incident - Any personal injury or property damage involving a City Employee that occurs on or off City property during assigned work hours, or anytime an Employee is using a City vehicle or wearing a City uniform.

Under the Influence of Alcohol - As a result of the consumption of alcohol, an Employee's ability to perform their job is impaired to any appreciable degree. For the purpose of this definition, a blood alcohol level of .08% alcohol in the blood by weight shall be considered to be sufficient to establish that an Employee is under the influence. However, an Employee with a blood alcohol level of less than .08% alcohol in the blood by weight may also be considered to be under the influence of alcohol if job performance is impaired to any appreciable degree.

Under the Influence of Drugs or Other Intoxicating Substances - As a result of the consumption, inhalation or injection or any combination of alcohol, drugs or any other

intoxicating substance or any combination of substances, an Employee's job performance is impaired to any appreciable degree.

Confirmation Test - A drug or alcohol test of the original sample to substantiate the results of a prior drug or alcohol test on the same sample and which uses different chemical principles and is of equal or greater accuracy than the prior drug or alcohol test.

Prescribed Drug - Any substance prescribed for individual consumption by a licensed medical practitioner.

Reasonable Suspicion - A belief that an Employee is using or has used drugs or alcohol in violation of this policy drawn from specific objective and particular facts and reasonable inferences drawn from those facts in light of experience, and may be based upon, among other things:

1. Observations including but not limited to the physical symptoms or manifestations of being under the influence of a drug or alcohol while at work or on duty, or the direct observation of drug or alcohol use while at work or on duty;
2. A report of drug or alcohol use while at work or on duty provided by reliable and credible sources;
3. Evidence that an individual has tampered with a drug or alcohol test during employment with the City; or
4. Evidence that an Employee is involved in the use, possession, sale, solicitation or transfer of drugs while on duty or while on the City's premises or operating the City's vehicles, machinery or equipment.

Testing Facility - Any person, laboratory, hospital, clinic or facility, either off or on City premises, which provides laboratory services to test for the presence of drugs or alcohol in the human body.

Confidentiality - Information concerning drug and alcohol test results shall be handled with a high degree of confidentiality. Such test results shall be made available to the applicant or Employee upon request for inspection and copying. The City shall not release such records to any person other than the applicant or Employee tested unless the applicant or Employee gives written permission for release of the test results, the applicant or Employee challenges the City's actions based upon the test results in a subsequent proceeding such as an unemployment claim or charge of discrimination or the City receives a valid court order for release of the results.

Compliance with all terms of this policy is a condition of employment with the City of Maize.

Prohibited Activities are:

Impairment - Being under the influence of any controlled substance, alcohol or drugs, lawful or unlawful, that impairs the Employee's sight, hearing, balance, reaction, reflex or judgment

while on City premises or while performing City business is prohibited and may result in Disciplinary Action up to and including Dismissal.

Possession - The use, sale, possession, transfer or purchase of drugs or alcohol on City premises or while performing City business is prohibited and may result in Disciplinary Action up to and including Dismissal. However, the proper and appropriate use of prescribed drugs by the person for whom they were prescribed and in the amounts and method prescribed is not prohibited.

Prescription Drugs - Bringing a prescribed drug onto City premises by any person other than the one for whom it is prescribed is prohibited and may result in Disciplinary Action up to and including Dismissal. Prescription drugs may be used only in the manner, combination and quantity prescribed.

Positive Test - Testing positive for a drug or alcohol as provided in this policy is prohibited and shall normally result in Disciplinary Action up to and including Dismissal.

Refusal to Submit to Testing - Refusing to submit to drug or alcohol testing is prohibited and shall normally result in Disciplinary Action up to and including Dismissal.

Refusal to Consent to Testing - Refusing to execute any consent, release or other document in connection with this policy is prohibited and shall normally result in Disciplinary Action up to and including Dismissal.

Tampering - In the event that the testing facility determines that a sample has been diluted or otherwise tampered with, the subject Employee may be, depending upon the circumstances, subject to Disciplinary Action up to and including Dismissal.

Additional Rules and Regulations are:

The City shall not hire any applicants who test positive for illegal drugs or alcohol.

Any City Employee who is involved in a reportable incident that results in injury to persons or property shall be subject to an investigation. Employees shall be directed to undergo a drug or alcohol test if there is reasonable suspicion that the Employee was under the influence of drugs or alcohol at the time of the incident. An Employee who refuses to participate in a required drug or alcohol test shall be subject to Disciplinary Action up to and including Dismissal.

1. Based on the results of the investigation and drug or alcohol testing, the Employee may be subject to mandatory participation in a rehabilitation program at their expense unless covered by the City's insurance program. The Employee may also be subject to Disciplinary Action.

2. All illegal substances as defined by criminal statutes discovered during an investigation shall be given to the appropriate law enforcement agency and may result in criminal prosecution.

If enrollment in a drug or alcohol rehabilitation program is required, the Employee's fitness to continue in the current Position shall be determined on a case-by-case basis.

Any City Employee at any level who reports for work on City premises or worksites shall be directed to undergo a drug or alcohol test if there is reasonable suspicion that the Employee is under the influence of drugs or alcohol.

The City Administrator or Department Head shall take appropriate action to protect City personnel and City property by removing from the work premises or site any individual not in condition to perform assigned work in a normal and safe manner. If there is a reasonable suspicion that an Employee is under the influence of drugs or alcohol, the Employee shall be taken to an authorized facility for drug/alcohol testing.

If an Employee has reasonable suspicion that a Supervisor is under the influence of drugs or alcohol, their observations should be reported, when possible, to the Supervisor's immediate superior. If an Employee feels that reporting these observations in this manner would adversely affect their working conditions, the report shall be made to the City Administrator. The Employee shall identify themselves to the City Administrator who shall keep the Employee's name confidential; however, the Employee's name may be released later if the Supervisor is disciplined and litigation results.

An Employee shall not be allowed to drive any vehicle or operate any equipment if there is reasonable suspicion that the Employee is under the influence of drugs or alcohol.

Exemption for Prescribed Medical Treatment - The use of legally controlled substances as part of a prescribed medical treatment by a licensed physician shall not subject an Employee to Disciplinary Action or denial of employment if that treatment does not adversely affect job performance. It is the responsibility of the Employee to advise their Supervisor of the necessity to take any medication containing a cautionary label regarding the operation of machinery or vehicles and of any impairment. Prescribed use must be substantiated by a physician's report or statement. If the use of prescribed drugs adversely affects an Employee's job performance or is detrimental to the public trust or safety of other Employees or citizens, the Employee shall be placed on a Leave of Absence. Leave of Absence shall be used as contained in this policy manual.

It shall be considered illegal and against City policy to use or dispense a prescribed drug by any person other than the one for whom it is prescribed.

Types of Testing - In keeping with the City's goal to establish and maintain a work environment free from the effects of drugs and intoxicating substances and to insure the safety of citizens, the work place and the work force, the following procedures are established:

1. For designated Positions, applicants who have received an offer of employment must successfully complete a drug and/or alcohol test in addition to successful completion of any other physical examination requirements. A positive finding of alcohol or illegal drugs shall result in denial of employment with the City;
2. Applicants who do not submit to screening at the appointed time shall be denied employment;
3. The City Administrator or Department Head shall initiate drug or alcohol screening of Employees involved in reportable incidents that result in injury to persons or property, if there is reasonable suspicion of substance abuse; and
4. Drug or alcohol testing of Employees may be initiated by a Department Head when there is a reasonable suspicion that substance abuse is occurring. The City Administrator should concur if possible.

Testing Methods and Procedures:

Screening - the initial test performed on urine specimens to determine the presence or absence of drugs.

Confirmation - When a specimen tests positive on the initial screening, the positive test shall be confirmed by GC/MS (gas chromatography/mass spectrometry) or an equivalent method of equal or greater accuracy on the same sample.

Should an applicant or Employee test positive to an initial and confirmation drug or alcohol test, the applicant or Employee shall have the right to explain to the City's designated representative, in confidence, any extenuating circumstances which may have caused the results of the test.

Verbal notification to an Employee to report for testing shall be accompanied by a written notification. The written notification shall specify the reason for the testing and the date, time and place to report for testing.

Employees being tested for reasonable suspicion or accident testing shall not be permitted to drive themselves and shall be escorted to the collection site by a City representative.

After an Employee has been identified for testing, the process begins at a collection site where a specimen of urine is taken. The designated collection site shall have all of the necessary personnel, materials, equipment, facilities and supervision to provide for the collection, security, temporary storage and transportation of test specimens to a designated testing facility. The collection site shall use procedures that safeguard the Employee's right to privacy, guard the integrity of the specimen and maintain the chain of custody.

Employees who are being tested for reasonable suspicion or accident testing shall be temporarily placed on leave with pay pending the outcome of the test results.

If the laboratory results are negative, the laboratory shall notify the City and the City shall then notify the Employee.

If the laboratory results are positive on the initial screen and the confirmation test, the City's designated representative shall contact the applicant or Employee and give the individual an opportunity to explain the positive result in confidence.

The designated representative of the City shall be the sole recipient of drug and alcohol test results.

Appeal Process - Upon a report of a positive test, the Employee or applicant shall be notified of the test results. If an applicant or Employee requests a confirmation test, arrangements can be made for confirmation testing of the Employee's original urine or blood sample. The confirmation test shall be conducted at the City's designated testing facility at the Employee's or applicant's expense. If the second test is negative, the City shall pay for the confirmation test. Additionally, the applicant or Employee may have a qualified analytical chemist of their choice observe the procedure. A final determination shall be made by the appropriate authority following the review of the appeal process.

Return to Work - Employees who are permitted to return to work after testing positive for drugs or alcohol, participating in a drug or alcohol treatment program or violating any other provision of this policy shall be required to execute a Return to Work Agreement. However, nothing in this policy shall be construed to require the City to allow an Employee to return to work who has violated this policy. The Agreement may include but shall not be limited to the following:

1. A release to return to work, by the treatment specialist, which includes prescribed medication or course of treatment;
2. A plan setting aftercare and follow-up treatment procedures with a treatment specialist for a minimum of one (1) year. Longer periods of time may be specified. The Employee must provide consent for the treatment specialist to provide progress reports to the designated City representative;
3. A negative drug and alcohol test before returning to work;
4. An agreement by the Employee to random screening for drugs and alcohol for at least one year with negative results;
5. A statement of expected work-related behaviors;
6. An agreement by the Employee to never use drugs (or alcohol) again; and
7. An agreement by the Employee that violation of the Return to Work Agreement shall be grounds for immediate Dismissal.

11.04 SMOKING

In the interest of providing a safe and healthy environment for Employees and the general public, smoking and the use of smokeless tobacco products is prohibited in all City-owned and all City-leased facilities and on all City property.

- A. Smoking and the use of smokeless tobacco products are prohibited in all City-owned vehicles and on all City equipment.
- B. Employees are protected from retaliatory action or from being subjected to any adverse personnel action for exercising or attempting to exercise the Employee's rights under this policy. Any violation of this policy may result in appropriate Disciplinary Action up to and including Dismissal.

11.05 SEXUAL HARASSMENT

- A. Purpose - It is the policy of the City to maintain a work environment free of intimidation, insult and harassment based upon age, ancestry, disability, race, religion or sex. **The City will not tolerate sexual harassment and will take immediate Disciplinary Action if such behavior occurs.**
- B. Definition - Sexual harassment is defined by the Equal Employment Opportunity Commission as follows:

Unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature constitutes sexual harassment when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

A conduct which has the effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment may be "sexual harassment" whether or not the person engaging in the conduct intends to create that effect.

- C. Policy - No Employee, supervisory or non-supervisory, may sexually harass another Employee. Any Employee who believes that they are the victim of unwelcome behavior that would constitute sexual harassment shall immediately report all incidents to their Supervisor.

All complaints involving claims of sexual harassment shall be promptly and confidentially investigated.

Any Employee, supervisory or non-supervisory, found to have engaged in the sexual harassment of another Employee shall be disciplined up to and including Dismissal.

Sexual harassment includes but is not limited to:

1. Threatening or insinuating that an Employee's submission to or rejection of sexual advances will in any way influence any personnel decision regarding that Employee's employment, evaluation, wages, advancement, assigned duties, shifts or any other condition of employment;
2. Repeated sexual flirtation, joking or teasing;
3. Continual or repeated verbal abuse of a sexual nature;
4. Unwelcome touching, propositions or advances;
5. Abusive and vulgar language of a sexual nature;
6. Suggestive jokes or comments about an Employee's body or clothing; or
7. Displaying of sexually graphic or suggestive pictures, photographs, cartoons, etc.

D. Complaint Procedure - Any Employee who feels they are being subjected to sexual harassment or who is a witness to what they believe to be sexual harassment should immediately contact one of the persons listed below with whom the Employee feels the most comfortable. It is the obligation of all City Employees to report incidents of sexual harassment, regardless of whether they are a victim or a witness of such misconduct. Complaints may be made orally or in writing to:

1. Employee's immediate Supervisor;
2. Employee's Department Head;
3. City Administrator; or
4. City Attorney.

The Employee should be prepared to provide the following information:

1. Employee's name, department and Position title;
2. Name of the person or persons committing the harassment;
3. Dates(s) and approximate time(s) of the harassment;
4. The specific nature of the sexual harassment, how long it has gone on and any employment action (demotion, failure to promote, Dismissal, refusal to hire, transfer, etc.) taken against the Employee as a result of the harassment, or any other threats made against the Employee as a result of the harassment;
5. Witnesses to the harassment, if any; and
6. Whether the Employee has previously reported such harassment and, if so, when and to whom.

After receiving a sexual harassment complaint, the person receiving the complaint shall assist the Employee filing the complaint by documenting the incident in writing. The Employee shall sign the written complaint attesting to the accuracy and truthfulness of the incident. All information disclosed in the complaint procedure shall be held in strictest confidence and shall be disclosed only on a need-to-know basis in order to investigate and resolve the matter.

E. Review of a Sexual Harassment Complaint - It is the responsibility of the City Administrator to coordinate the investigation of sexual harassment complaints. If the City Administrator is the subject of the complaint, the City Attorney shall coordinate the investigation. The following procedures shall apply to the handling of such complaints:

1. The person to whom the complaint is made shall immediately present it to the City Administrator;
2. An investigation of the alleged incident shall be promptly started;
3. The investigator shall make and keep a written record of the investigation, including notes of verbal responses made to the investigator by the person complaining of sexual harassment, witnesses interviewed during the investigation, the person against whom the complaint of sexual harassment was made and any other person contacted by the investigator in connection with the investigation;
4. The investigator shall notify the Employee accused of the sexual harassment as promptly as possible of the complaint and the severity of the allegations (immediate notification is not necessary if such notification would jeopardize the investigation);
5. The Employee accused of the sexual harassment shall be given appropriate opportunity to refute the allegation and present information and witnesses on their behalf;
6. Based upon the investigative report, the City Administrator shall determine whether the conduct of the person against whom a complaint has been made constitutes a violation of this sexual harassment policy. In making that determination, the City Administrator shall look at the record as a whole and the totality of circumstances, including the nature of the conduct in question and the context in which the conduct, if any, occurred. Determination of whether a violation of this policy occurred shall be made on a case-by-case basis;
7. If the City Administrator determines the complaint of sexual harassment is substantiated, immediate and appropriate Disciplinary Action shall be taken against the Employee who was the subject of the complaint;
8. The Disciplinary Action shall be consistent with the nature and severity of the offense;
9. If the City Administrator determines the complaint of sexual harassment is unfounded, the Employee accused of sexual harassment shall be notified of the determination and advised that no Disciplinary Action is warranted;
10. The Employee making the complaint shall be notified of the results of the investigation and that appropriate Disciplinary Action has been taken if the complaint was substantiated;
11. The complaining Employee shall not be subjected to retaliation in any form for having submitted a good faith complaint, even if the complaint is not substantiated; and
12. If the City Administrator determines after reviewing the investigation report that the complaint was intentionally falsified by the Employee filing the complaint, a written report shall be placed in the appropriate file with appropriate Disciplinary Action.

- F. Records of a Sexual Harassment Complaint - All records concerning a sexual harassment complaint shall be confidential and kept in a separate locked file except those affected by Kansas Open Records Act. Access to these records shall be given only with the approval of the City Administrator or the City Attorney to parties who have a direct and relevant need to know. Notwithstanding the foregoing, the City may need to release such records in connection with any lawsuit pertaining to alleged sexual harassment or in connection with an investigation of harassment by a government agency.
- G. Retaliation - The City, its Employees and officers will not in any way retaliate against an Employee or others who, in good faith, make a complaint based on sexual harassment or participate in the investigation of such a claim or report. Retaliation against any individual for reporting in good faith a claim of sexual harassment or cooperating in the investigation of same will not be tolerated and will himself/herself be subject to appropriate discipline.

11.06 HARASSMENT OF EMPLOYEES BASED ON RACE, COLOR, RELIGION, GENDER, NATIONAL ORIGIN, AGE OR DISABILITY

The City will not tolerate harassment or intimidation of an Employee based on race, color, religion, gender, national origin, age, or disability by another Employee or others. Violation of this policy shall result in Disciplinary Action against any Employee involved up to and including Dismissal. If the Violation of this policy constitutes a crime, others who violate this policy shall be reported to local law enforcement agencies for investigation. Supervisors who fail to follow the policy or fail to investigate complaints shall also be disciplined. Employees who observe conduct in violation of this policy, whether as a victim or as a witness, have a duty to report such a violation to their immediate Supervisor or to the Department Head, City Administrator or City Attorney where the Supervisor is the person engaging in the harassment.

- A. All City Employees have the right to work in an environment free from all forms of unlawful discrimination and conduct which can be considered harassing, coercive or disruptive. Consistent with the City's respect for the rights of each Employee, harassment based on race, color, religion, gender, national origin, age, disability or any other characteristic protected by the laws of the State of Kansas or the United States of America, will not be tolerated.
- B. Harassment on the basis of any of these characteristics is strictly prohibited. Under this policy, harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, gender, national origin, age, disability or any other characteristic protected by law or that of his/her relatives, friends or associates and that:
1. has the purpose or effect of creating an intimidating, hostile or offensive work environment;
 2. has the purpose or effect of unreasonably interfering with an individual's work performance; or,

3. otherwise substantially adversely affects an individual's employment.
- C. Harassing conduct includes but is not limited to epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group that is placed on walls or elsewhere on the City's premises or circulated in the workplace.
 - D. The standard for determining whether an intimidating, hostile or offensive work environment is created or the alleged conduct unreasonably interferes with the victim's work performance or educational opportunities is whether a reasonable person in the same or similar circumstances would find the conduct intimidating, hostile or offensive. The determination should give consideration to the perspective of the "reasonable person" of the alleged victim's race, color, religion, etc. A showing of actual psychological harm is not required.
 - E. Supervisors are responsible for assuring that no Employee is subjected to conduct that constitutes any of the forms of harassment described above.
 - F. Any Employee found to have engaged in harassment as described herein will be disciplined as appropriate up to and including Dismissal of the Employee. If these acts constitute a crime, others who violate this policy will be reported to local law enforcement agencies for investigation. In addition, the Supervisor or designee may sanction the offender by prohibiting the offender from being present on City property for a designated period of time and/or from specific City activities.
 - G. Any Employee who believes he or she has been the subject of any form of harassment prohibited herein by any person that the Employee comes into contact with while engaged in the City's business shall bring the matter to the attention of his or her Supervisor, Department Head, City Administrator or City Attorney.
 - H. A prompt and thorough investigation of the alleged incident, if the alleged harasser is an Employee, will be conducted to the extent reasonably necessary and possible. Appropriate corrective action will be taken, if warranted, to punish the offender and prevent similar conduct in the future. To the extent consistent with adequate investigation and appropriate corrective action, complaints of harassment will be treated as confidential.
 - I. The City will not, in any way, retaliate against an Employee or others who, in good faith, make a complaint or report of harassment or participate in the investigation of such a complaint or report. Retaliation against any individual for reporting in good faith a claim of harassment or cooperating in the investigation of same will not be tolerated and will itself be subject to appropriate discipline.
 - J. This policy shall apply to protect the Employee while the Employee is performing his or her duties as an Employee of the City.

11.07 WHISTLEBLOWER

The City is committed to promoting the observance by the Governing Body and Employees of high standards of business and personal ethics in the carrying out of their duties and responsibilities. The Governing Body and Employees must practice honesty and integrity in fulfilling their responsibilities and must comply with all applicable laws, regulations and City policies. The Governing Body finds that those who, in good faith, report and/or cooperate in investigations of suspected fraud, financial improprieties, irregularities or conflicts of interest (jointly referred to as “Violations”) should not be subject to discrimination or other adverse employment consequences.

- A. Whistleblower Policy - This whistleblower policy provides protection for Employees against being discharged or discriminated against by reason of their filing good faith reports of Violations or who cooperate in the investigation of such reports.
- B. Reporting Responsibilities – It is the responsibility of Governing Body members and Employees to report Violations or suspected Violations in accordance with this whistleblower policy.
- C. Compliance Officer – The City Administrator shall serve as the City’s compliance officer. The compliance officer and the compliance officer’s designee are responsible for investigating and resolving reported complaints and allegations concerning Violations. Complaints and allegations concerning misconduct by the City Administrator will be investigated by the City Attorney.
- D. Reporting Violations – In most cases, an Employee should report Violations to his or her immediate Supervisor. The Employee may contact the Department Head or the City Administrator if the suspected violation involves the Employee’s Supervisor, if the Employee is not comfortable speaking with his or her Supervisor or if he or she is not satisfied with the Supervisor’s response. Supervisors are required to report suspected Violations to the City Administrator. An alleged Violation involving a City Council member will be reported to the Mayor. The Mayor will seek the assistance of the City Attorney to investigate the matter. If the alleged Violation involves the City Administrator or the Mayor, the report will be made to the City Attorney.
- E. Anonymous reports of Violations may be sent to the City’s compliance officer at City Hall, 10100 Grady Avenue, Maize, Kansas 67101.
- F. No Retaliation – Employees who, in good faith, report a Violation shall not suffer harassment, retaliation or adverse employment consequences. An Employee who retaliates against someone who has reported a Violation in good faith is subject to disciplinary action up to and including Dismissal.
- G. Action in Good Faith – Acting in good faith means the Employee must have reasonable grounds for believing the information disclosed indicates a Violation. Any complaint of a Violation which is not substantiated and which is proved to have been made with

malicious intent or was known to be false by the reporter will constitute a serious disciplinary offense.

- H. Handling of Reported Violations – The City compliance officer will promptly investigate reported Violations and will take appropriate corrective action with the City Attorney. The City Attorney will report to the Mayor concerning Violations that allege misconduct by the City Administrator.

11.08 VIOLENCE IN THE WORKPLACE AND NO WEAPONS POLICY

It is the policy of the City to provide a workplace free from violence to all Employees. Accordingly, all Employees are prohibited from engaging in physically violent behavior or verbally aggressive behavior with others while on City premises or while on duty for the City.

- A. The behavior prohibited by this policy shall include, but not be limited to, all of the following: shoving, fighting, yelling, directing obscenities towards others and attempting to intimidate others in any manner.
- B. In addition, the City strictly prohibits weapons of any type on City premises, except as may be allowed by law and except as necessary for law enforcement personnel. Subject to the foregoing exceptions, this includes both visible and concealed weapons.
- C. The term “weapons” as used in this policy includes, but is not limited to, all of the following: firearms, knives with a blade longer than four inches, any explosive materials and any other objects that could be used to harass, intimidate or injure another individual.
- D. Violation of this policy shall lead to appropriate Disciplinary Action, up to and including Dismissal.

11.09 WORKER SAFETY

General Safety - All Employees are required to wear appropriate safety equipment and follow appropriate safety precautions according to the City or department policy at all times. Failure to comply with safety policies may result in Disciplinary Action.

SECTION XII - MISCELLANEOUS

12.01 POLITICAL ACTIVITY

It is the right of every Employee to register and vote on all political issues. Employees are permitted to join political organizations, civic associations or groups and to become involved in political activities subject to the restriction of this policy manual.

A. Prohibited Activity -

1. An Employee must resign from City employment upon filing as a candidate for City Council or Mayor or upon accepting a Position as campaign manager or treasurer for a candidate for City Council or Mayor.
2. Employees are not permitted to donate, solicit or handle political contributions in City elections during City functions or during regular hours of employment.
3. Employees are not permitted to wear or display political badges, buttons or signs of any kind at the place of employment, during City functions or during regular hours of employment.
4. Employees are not permitted to distribute campaign stickers, posters or pamphlets from the Employee's place of employment, at City functions or during regular hours of employment.
5. The City Administrator, Department Heads, Supervisors or their immediate family members shall not solicit Employees under their supervision for political contributions or for participation in political activities.
6. City Employees are not permitted to be members of the Maize Planning Commission or the Board of Zoning Appeals or the Maize Park and Tree Board.

12.02 OUTSIDE EMPLOYMENT

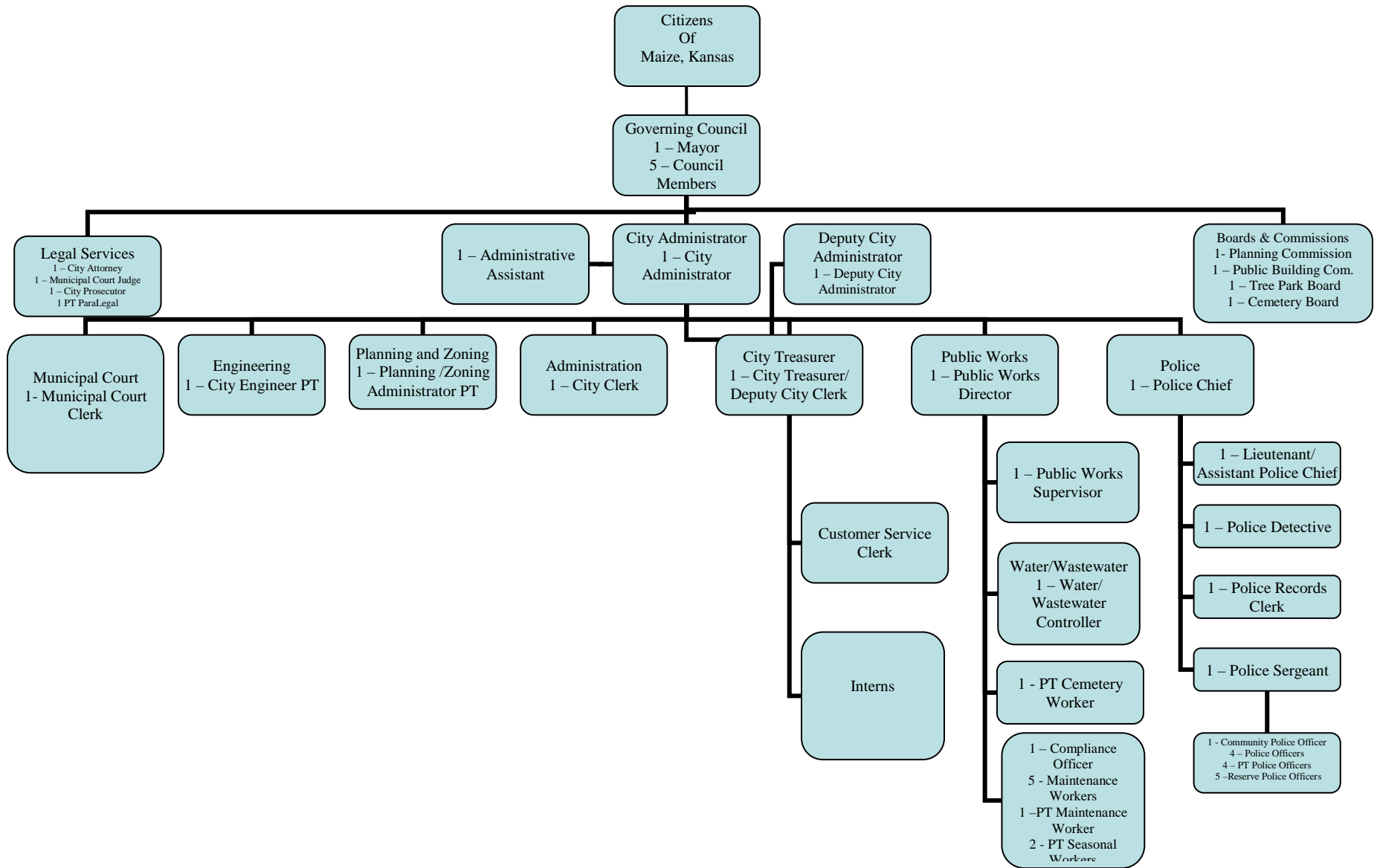
Outside employment constitutes a City Employee holding a second job with another employer. Outside employment is permitted only when such outside employment is:

- A. considered secondary to service with the City;
- B. does not interfere with the performance of duties for the City; and
- C. no legal, financial or ethical Conflict of Interest results from such dual employment.

An Employee shall obtain approval in writing from a Department Head or the City Administrator prior to accepting outside employment or any change in the nature of such outside employment. A request to perform continuous outside employment shall be reviewed annually by the Employee and re-authorized by a Department Head or the City Administrator.

SECTION XIII – THIS SECTION BLANK AT THIS TIME

SECTION XIV - ORGANIZATIONAL CHART “CHAIN OF COMMAND”



July _____, 2016

SECTION XV - THIS SECTION BLANK AT THIS TIME

SECTION XVI - FORMS

FORMS

- A. Employment Application**
- B. New Employee Checklist**
- C. Performance Evaluation Form**
- D. Pay Plan**
- E. Reimbursement Request Form**

SECTION XVII - POSITION DESCRIPTIONS

POSITION DESCRIPTIONS

A. Administration

Deputy City Administrator
City Clerk
City Treasurer / Deputy City Clerk
Executive Assistant
Customer Service Clerk
Intern (Part-Time)
City Engineer (Part-Time)
Planning / Zoning Administrator (Part-Time)
Municipal Court Clerk

B. Police Department

Chief of Police
Lieutenant / Assistant Police Chief
Police Sergeant
Police Records Clerk
Police Detective
Patrol Officer
Patrol Officer (Part-Time)
Community Policing Officer

C. Public Works Department

Public Works Director
Public Works Supervisor
Water / Wastewater Controller
Compliance Officer
Custodian
Maintenance Worker I
Maintenance Worker II
Maintenance Worker III
Maintenance Worker (Part-Time)
Maintenance Worker (Seasonal)

**MAIZE CITY COUNCIL
REGULAR MEETING
MONDAY, July 18, 2016**

AGENDA ITEM # 8G

ITEM: Minor Street Privilege Ordinance

BACKGROUND:

The Watercress Apartment Homes complex is scheduled to begin construction later this year.

Closing on the property will take place later this month.

The complex is to be located north of City Hall with access from Reed Avenue.

There is no direct access to the apartment complex off of Maize Road.

The developer has requested permission to modify the current monument sign located on Ranch Road at the Maize Road intersection to identify the apartment complex location.

Staff has been in discussions with the developer regarding this and is in agreement with the proposed sign. (See attached)

The exception will be the "white" area is to be removed and the color changed to be compatible with the rest of the sign.

This has been discussed at the Mayor's meeting and input has been received from the Mayor and some council members.

The overall consensus is to support the sign change.

The developer has submitted an agreement for council consideration to approve.
(See "Legal Considerations")

FINANCIAL CONSIDERATIONS:

None

LEGAL CONSIDERATIONS:

The City Attorney is recommending in lieu of an agreement allowing the sign; that the city pass a "Minor Street Privilege Ordinance".

This provides the city flexibility and control over this sign and others that are requested in the future.

Staff is researching information regarding a Minor Street Privilege Ordinance and any necessary support documents.

It will be brought back to Council for action.

(over)

RECOMMENDATION/ACTION:

Motion:

Allow the Watercress Apartment Home complex developer to move forward with the plans for the sign modification.

Construction may begin when the Minor Street Privilege Ordinance is in place and all aspects of the ordinance are complied with.

Informational follow up to Motion:

As a result of the Council approving the above motion, staff will issue a conditional Minor Street Privilege to the Watercress Apartment Home complex developer.

The condition to the Minor Street Privilege will be the passage of a Minor Street Privilege ordinance by the City Council.

Sign construction will not begin unless and until the City Council adopts a Minor Street Privilege ordinance.

26' 3/4"



12' 3/4"

Revised 4-26-2016

TWENTY/TWENTY
20 SIGN
50 DESIGN
 SIGNS & GRAPHICS WITH VISION

11842 S. 33rd W. Ave. Suite C • Sapulpa, OK 74066

Phone: 918-290-5100 • Fax: 918-513-4277

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City of Maize Kansas & Maize Park Cemetery Meetings 183 of 196

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MINUTES-REGULAR MEETING
MAIZE PARK CEMETERY
MONDAY, AUGUST 3, 2015

The Maize Park Cemetery was called to order at 7:15 p.m., on Monday, August 3, 2015, for a Regular Meeting with *Karen Fitzmier* presiding. The following Maize Park Cemetery district board members were present, *Karen Fitzmier, Pat Stivers, Alex McCreath* and *Donna Clasen*. *Clair Donnelly* was absent.

Also present were *Jocelyn Reid*, Recording Secretary; *Richard LaMunyon*, City Administrator and *Rebecca Bouska*, Deputy City Administrator.

APPROVAL OF AGENDA:

The agenda was submitted for approval.

MOTION: *Stivers* moved to approve the agenda as presented.
McCreath seconded. Motion carried.

APPROVAL OF MINUTES:

Approval of Minutes – Board Meeting of July 20, 2015

MOTION: *McCreath* moved to approve the July 20, 2015 minutes as presented.
Stivers seconded. Motion carried.

PUBLIC HEARING FOR THE MAIZE PARK CEMETERY DISTRICT 2016 BUDGET:

Chair Fitzmier opened the public hearing at 7:15 pm. Hearing no comments the public hearing was closed.

ADOPTION OF THE 2016 MAIZE PARK CEMETERY DISTRICT BUDGET:

The 2016 Maize Park Cemetery District Budget was submitted for adoption.

MOTION: *McCreath* moved to adopt the 2016 Maize Park Cemetery Budget and submit to the Sedgwick County Clerk.
Clasen seconded. Motion carried.

ADJOURNMENT:

With no further business before the Board,

MOTION: *Clasen* moved to adjourn.
Stivers seconded. Motion Carried.

**MAIZE PARK CEMETERY BOARD
ANNUAL MEETING
MONDAY, JULY 18, 2016**

AGENDA ITEM #5

ITEM: CEMETERY BOARD APPOINTMENT & ELECTION OF OFFICERS

BACKGROUND:

Karen Fitzmier has a four-year term that will expire this year and her reappointment to a four-year term to the board needs to take place at this annual meeting

On July 20, 2015 the following Cemetery Officers were elected to office:

Karen Fitzmier - Chairperson
Donna Clasen - Vice-Chairperson
Clair Donnelly - Trustee
Alex McCreath - Trustee
Pat Stivers - Trustee

FINANCIAL CONSIDERATIONS:

None

LEGAL CONSIDERATIONS:

None

RECOMMENDATION/ACTION:

1. Reappoint Karen Fitzmier to the Maize Park Cemetery Board to a four (4) year term.
2. Elect:
 - 1 - Chairperson
 - 1 - Vice-Chairperson
 - 3 - Trustees

**MAIZE PARK CEMETERY
REGULAR MEETING
MONDAY, JULY 18, 2016**

AGENDA ITEM # 6A

ITEM: PROPOSED 2017 BUDGET FOR PUBLICATION

BACKGROUND:

The 2017 proposed budget has been prepared for consideration and action. The Board and staff met for a budget workshop earlier.

The budget reflects and supports the direction of the Board.

It is in compliance with State laws and is supported by the City Administrator, recording secretary and the City's Financial Advisor.

FINANCIAL CONSIDERATIONS:

The attached budget does not require a vote publication by the Council.

LEGAL CONSIDERATIONS:

Compliance with state law regarding forms and budget schedule is required.

RECOMMENDATION/ACTION:

1. Authorize publication of the proposed 2017 budget in The Clarion.
2. Set the public hearing on the proposed budget for Monday, August 1, 2016 at 7:00 p.m.

CERTIFICATE

To the Clerk of Sedgwick County, State of Kansas

We, the undersigned, officers of

Maize Park Cemetery

certify that: (1) the hearing mentioned in the attached publication was held;
(2) after the Budget Hearing this budget was duly approved and adopted
maximum expenditures for the various funds for the year 2017; and (3) the
Amount(s) of 2016 Ad Valorem Tax are within statutory limitations for the 2017 Budget.

Table of Contents:		Page No.	2017 Adopted Budget		
			Budget Authority for Expenditures	Amount of 2016 Ad Valorem Tax	County Clerk's Use Only
Computation to Determine Limit for 2017		2			
Allocation MVT, RVT, 16/20M Vehicle Ta		3			
Schedule of Transfers		4			
Statement of Indebt. & Lease/Purchase		5			
Fund	K.S.A.				
General	0	6	150,948	8,408	
Debt Service	10-113				
Totals		xxxxxxx	150,948	8,408	
Budget Summary		7			County Clerk's Use Only
Neighborhood Revitalization Rebate					Nov. 1, 2016 Total Assessed Valuation
Resolution required? Notice of the vote to adopt required to be published?			No		

Assisted by:

Address:

Email:

Attest: _____, 2016

County Clerk

Governing Body

Computation to Determine Limit for 2017

	Amount of Levy
1. Total tax levy amount in 2016 budget	+ \$ <u>8,034</u>
2. Debt service levy in 2016 budget	- \$ <u>0</u>
3. Tax levy excluding debt service	\$ <u>8,034</u>

2016 Valuation Information for Valuation Adjustments

4. New improvements for 2016:	+ <u>2,529,659</u>	
5. Increase in personal property for 2016:		
5a. Personal property 2016	+ <u>770,226</u>	
5b. Personal property 2015	- <u>676,858</u>	
5c. Increase in personal property (5a minus 5b)	+ <u>93,368</u>	
		(Use Only if > 0)
6. Valuation of property that has changed in use during 2016:		<u>64,096</u>
7. Total valuation adjustment (sum of 4, 5c, 6)		<u>2,687,123</u>
8. Total estimated valuation July, 1,2016	<u>61,828,840</u>	
9. Total valuation less valuation adjustment (8 minus 7)		<u>59,141,717</u>
10. Factor for increase (7 divided by 9)		<u>0.04544</u>
11. Amount of increase (10 times 3)		+ \$ <u>365</u>
12. 2017 budget tax levy, excluding debt service, prior to CPI adjustment (3 plus 11)		\$ <u><u>8,399</u></u>
13. Debt service levy in this 2017 budget		<u>0</u>
14. 2017 budget tax levy, including debt service, prior to CPI adjustment (12 plus 13)		<u><u>8,399</u></u>
15. Consumer Price Index for all urban consumers for calendar year 2015		<u>0.125%</u>
16. Consumer Price Index adjustment (3 times 15)		\$ <u>10</u>
17. Maximum levy for budget year 2017, including debt service, not requiring 'notice of vote publication' or adoption of a resolution prior to adoption of the budget (14 plus 16)		\$ <u><u>8,409</u></u>

If the 2017 adopted budget includes a total property tax levy exceeding the dollar amount in line 17 you must, prior to adoption of such budget, adopt a resolution authorizing such levy and, subsequent to adoption of such budget, publish notice of vote by the governing body to adopt such budget in the official county newspaper and attach a copy of the published notice to this budget.

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

Maize Park Cemetery
Sedgwick County

2017

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

2016 Budgeted Funds	Tax Levy Amount in 2016 Budget	Allocation for Year 2017				
		MVT	RVT	16/20M Veh	Comm Veh	Watercraft
General	8,034	1,013	9	2	33	3
Debt Service	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
Total	8,034	1,013	9	2	33	3

County Treas Motor Vehicle Estimate 1,013

County Treas Recreational Vehicle Estimate 9

County Treas 16/20M Vehicle Estimate 2

County Treas Commercial Vehicle Tax Estimate 33

County Treas Watercraft Tax Estimate 3

MVT Factor 0.12609

RVT Factor 0.00112

16/20M Factor 0.00025

Comm Veh Facto 0.00411

Watercraft Factor 0.00037

NOTICE OF BUDGET HEARING

State of Kansas
Special District
2017

The governing body of
Maize Park Cemetery
Sedgwick County

will meet on August 1, 2016 at 7:00 p.m. at Maize City Hall for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of tax to levied. Detailed budget information is available at 10100 Grady Avenue Maize, KS 67101 and will be available at this hearing.

BUDGET SUMMARY

Proposed Budget 2017 Expenditures and Amount of 2016 Ad Valorem Tax establish the maximum limits of the 2017 budget. Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual 2015		Current Year Estimate for 2016		Proposed Budget Year for 2017		
	Expenditures	Actual Tax Rate*	Expenditures	Actual Tax Rate*	Budget Authority for Expenditures	Amount of 2016 Ad Valorem Tax	Estimate Tax Rate*
General	45,673	0.139	51,700	0.141	150,948	8,408	0.136
Debt Service							
Totals	45,673	0.139	51,700	0.141	150,948	8,408	0.136
Less: Transfers	0		0		0		
Net Expenditures	45,673		51,700		150,948		
Total Tax Levied	7,435		8,034		xxxxxxxxxxxxxxxxxxx		
Assessed Valuation	53,495,014		57,003,573		61,828,840		

Outstanding Indebtedness,

Jan 1,	2014	2015	2016
G.O. Bonds	0	0	0
Revenue Bonds	0	0	0
Other	0	0	0
Lease Pur. Princ.	0	0	0
Total	0	0	0

*Tax rates are expressed in mills.

Maize Park Cemetery District
0

Page No. 7

July 2016



Monthly Council Report

Department Highlights

- Activities within the department are functioning as they should.
- The Department has submitted the federal grant application for an additional SRO/Community policing officer. Award announcements should be mid September of 2016.
- Officer Phelps has been transferred from Patrol to SRO at Maize South High school. She will assume SRO duties for the 2016/2017 school year.
- We have completed the final 911 youth camp of the summer.
- All officers have completed their annual in-service training hours.
- The City Hall Security Plan has been updated and distributed to staff.
- New signage has been installed within city hall to assist with security upgrades.
- The department and officers have received many “Thanks You’s” from the community in light of recent national anti-police events.

Budget status: 50/100%

Major purchases:

None

Current Staff Levels.

12 Full-time
 2 Part-time
 2 Reserve
 2 Reserve -Vacant

Monthly Activities

June Police Reports - 471
 June calls for service - Not available

Community Policing:

911 Camps are in session.

City Engineer's Report

7/18/2016

Maize Middle School

The entire north side of the school is being prepared for the expansion construction.

Baxter Dental

The basement has been poured.

Heartland Credit Union

Groundwork is complete for the footprint of the building. Foundation to be poured soon.

**PLANNING ADMINISTRATOR'S
REPORT**

DATE: July 18, 2016

TO: Maize City Council Members

FROM: Kim Edgington, Planning Administrator

RE: Regular July City Council Meeting

The following is a summary intended to keep the Council apprised of the status of ongoing planning projects.

1. Watercress Apartment development – The property is set to close on July 27th. I have been working with KDOT to determine the details for the right-of-way acquisition of land for the Northwest Bypass. The developers and engineers have also been working with the City to develop a lot split that will accurately reflect the property boundaries with this right-of-way acquisition.
2. Zone change application and one-step final plat – for 23.76 acres on the west side of Maize Road approximately 1/3 mile south of 45th Street. These requests were approved by the Council at their June meeting. We have been working with Edward Rose and Sons, the developers out of Michigan, to finalize details regarding KDOT access and drainage issues.
3. Comprehensive Plan Update – Gould Evans is in the process of setting up a joint meeting with the City Council, Planning Commission and Park and Tree Board. We expect this meeting to take place in mid-August. I have been submitting preliminary data to Gould Evans and they have also been collecting data from Sedgwick County GIS and the Wichita/Sedgwick County Metropolitan Area Planning Department.
4. General planning issues – I continue to meet, both on the phone and in person, with citizens and developer's representatives requesting information on general planning matters, such as what neighboring property owners are planning to do, what they are allowed to do on their property, and what the process is for submitting various applications and materials to the Planning Commission.



CITY OPERATIONS REPORT

DATE: July 13, 2016

TO: Maize City Council

FROM: Richard LaMunyon-Becky Bouska-Sue Villarreal-Jolene Graham

RE: July Report

Pending Council Items

- Park Restrooms construction contract with Van Asdale (August)
- 45th Street multi-use path construction contract with Andale Paving (August)
- Amendment to Sewer Fee Ordinance (August)
- MKEC Engineering Agreement (August)
- KDHE Wastewater Loan Agreement (August)
- 2016 GO Bonds Refunding & Improvements (August)
- Eagles Nest Phase II (August)
- Case & Associates Sign Agreement (August)
- Utility Extension Policy (2016)

Wastewater Plant Expansion Project: Tentative Working Schedule

- August 1st: Hold Public Hearing at the Special Council meeting
- August 15th: Council Meeting
 - Amended Sewer Ordinance to establish a flat Plant Expansion fee
 - KDHE Loan Agreement
 - Contract with MKEC for engineering and design
- August – November: Design process
- December: Bids and Construction

Other Items

- Weekend of July 2nd Flooding/Sewer Backup
 - Insurance denied claims
 - According to Insurance agency, the city was not negligent; therefore no liability
 - Insurance investigator to contact the five home owners that filed claims
- Special Olympics Kansas: 2017 Summer Games

- Are in discussion with USD 266 to host the games at Maize High School: June 2-4, 2017.
- The City is involved in the discussions and would be the host City.
- The event would bring about 2000 athletes and coaches, plus hundreds of volunteers to our community. It's currently held on the WSU campus.
- Under advisement of counsel, trailer park code enforcement has been postponed due to an appeal filed by the park owners. The appeal will be heard July 15th.

Economic Development

- Staff meeting with Dave Larson regarding Industrial Park infrastructure expansion.
- Edward Rose Apartments (*KDOT to issue the controlled access permit*)
- Watercress Villa Apartments (*Property closing is scheduled for July 21st*)
- Twenty-five housing starts

Upcoming Meetings

- | | | |
|---------------------------|---|----------|
| • July 18 th | Council | @ 7:00pm |
| • August 1 st | Special Council
<i>(Budget Hearing/Adoption)</i> | @ 7:00pm |
| • August 4 th | Planning | @ 7:00pm |
| • August 9 th | Park & Tree | @ 5:30pm |
| • August 15 th | Council | @ 7:00pm |