

# **CITY COMMISSION MEETING AGENDA**

City Hall Commission Chambers

Monday, November 2, 7:00 p.m.

MEETING #5018

## **CALL TO ORDER**

## **ROLL CALL**

**INVOCATION BY** Father Wesley Schawe of Our Lady of Guadalupe Church

## **PLEDGE OF ALLEGIANCE**

## **PETITIONS & PROCLAMATIONS**

**VISITORS** (Limit of five minutes per individual and fifteen minutes per topic. Final action may be deferred until the next City Commission meeting unless an emergency situation does exist).

## **CONSENT CALENDAR**

1. Approval of City Commission Work Session Minutes, October 19, 2015;
2. Approval of City Commission Meeting Minutes, October 19, 2015;
3. Appropriation Ordinance No. 21, November 2, 2015;
4. Approval of OMI Agreement. Report by City Manager, Cherise Tieben.

## **ORDINANCES & RESOLUTIONS**

**Ordinance No. 3617:** An Ordinance Authorizing the Issuance of Sales Tax Special Obligation Revenue Bonds (Heritage Project Area) in an Aggregate Original Principal Amount not to Exceed \$18,000,000 For the Purpose of Providing Funds to Finance Certain Costs Relating to the Heritage Project Plan; Authorizing and Approving the Execution of Certain Documents in Connection with the Issuance of Said Bonds, and Authorizing Certain Other Actions in Connection With the Issuance of Said Bonds. Report by Finance Director/City Clerk, Nannette Pogue.

**Ordinance No. 3618:** An Ordinance Authorizing Issuance by the City of Dodge City, Kansas of not to Exceed \$16,500,000 Aggregate Principal Amount of Taxable Industrial Revenue Bonds (Inn Vestments II, L.L.C. Project) Series 2015, to Provide Funds to Acquire, Construct and

Equip a Project for Inn Vestments II, LLC and Authorizing and Approving Certain Documents and Actions in Connection With the Issuance of Said Bonds. Report by Finance Director/City Clerk, Nannette Pogue.

**Resolution No. 2015-24:** A Resolution in Support of an Application for Funding Through the Moderate Income Housing Program Offered Through the Kansas Housing Resources Corporation to be Utilized for the Abandoned Housing Program in Dodge City, Kansas. Report by Special Projects Coordinator, Mollea Wainscott.

**Resolution No. 2015-25:** A Resolution Authorizing the Offering For Sale of General Obligation Bonds, Series 2015-A, of the City of Dodge City, Kansas. Report by Finance Director/City Clerk, Nannette Pogue.

## **UNFINISHED BUSINESS**

## **NEW BUSINESS**

1. Approval of Bid for TE Project 29TE-0374-01 for the ATSF Railway Depot Transportation. Report by Project Development Coordinator, Melissa McCoy.

## **OTHER BUSINESS**

## **ADJOURNMENT**

# **CITY COMMISSION WORK SESSION**

City Hall Commission Chambers

Monday, October 19, 2015

6:30 p.m.

**ROLL CALL:** Mayor Joyce Warshaw, Commissioners Kent Smoll, Jan Scoggins, Rick Sowers, and Brian Delzeit.

## **WORK SESSION**

Discussion of Dodge City Regional Airport. Cory Keller, Public Works Superintendent spoke about the status of the airport and the airlines at Dodge City Regional Airport.

## **ADJOURNMENT**

Commissioner Rick Sowers moved to adjourn the meeting. Commissioner Brian Delzeit seconded the motion. The motion carried unanimously.

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Mayor

ATTEST:

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Nannette Pogue, City Clerk

# **CITY COMMISSION MEETING MINUTES**

City Hall Commission Chambers

Monday, October 19, 7:00 p.m.

MEETING #5017

## **CALL TO ORDER**

**ROLL CALL:** Mayor Joyce Warshaw, Commissioners, Jan Scoggins, Rick Sowers, Brian Delzeit and Kent Smoll.

**INVOCATION** by Lt. Enrique Coreano of the Salvation Army

## **PLEDGE OF ALLEGIANCE**

## **PETITIONS & PROCLAMATIONS**

**VISITORS (Limit of five minutes per individual and fifteen minutes per topic. Final action may be deferred until the next City Commission meeting unless an emergency situation does exist).**

## **CONSENT CALENDAR**

1. Approval of City Commission Meeting Minutes, October 5, 2015;
2. Appropriation Ordinance No. 20, October 19, 2015;
3. Cereal Malt Beverage License:
  - a. Kate's, 305 E Trail St.
  - b. Hana Sushi Steakhouse, 1010 E. Wyatt Earp Blvd.

Commissioner Kent Smoll moved to approve the Consent Calendar as presented; Commissioner Jan Scoggins seconded the motion. The motion carried unanimously.

## **ORDINANCES & RESOLUTIONS**

**Ordinance No. 3615:** An Ordinance Establishing a Maximum Speed Limit on U.S. 50 within the City Limits and Repealing Conflicting Ordinances or Parts of Ordinances and Providing Penalties for Violations of the Provisions of this Ordinance was approved on a motion by Commissioner Brian Delzeit. Commissioner Kent Smoll seconded the motion. The motion carried unanimously.

**Ordinance No. 3616:** An Ordinance Directing the Installation of a Stop Sign at the Intersection of Gary Avenue and Tanglewood Drive and Providing Penalties for the Violation of the Provisions of this Ordinance was approved on a motion by Commissioner Kent Smoll. Commissioner Brian Delzeit seconded the motion. The motion carried unanimously.

## **UNFINISHED BUSINESS**

## **NEW BUSINESS**

**OTHER BUSINESS**

City Manager, Cherise Tieben

- At the annual League of Kansas Municipalities, several employees from the City of Dodge City were recognized for their years of service: Nannette Pogue for 35 years of service; Robert Heinz, Mark Elder, Kevin Norton, Bob Keller, and Steve Lutz for 30 years of service. Congratulations to those employees.

Commissioner, Kent Smoll

- Inquired about the retirement of Mike Goddard. Mike recently retired with the City after about 33 ½ years of service. He was out in all types of weather, answering emergency water and sewer calls. Congratulations to Mike on his retirement;
- Attended a Black Hills dinner recently. Pay attention to your neighbors to make sure they are able to keep warm. Black Hills has programs for the low income to make sure energy in their homes is available to them during the winter months;
- Go Royals;
- Shop local and shop often.
- 

Commissioner, Jan Scoggins

- Recognized the Dodge City Public Library for their recent fundraiser;
- Recognized the Salvation for their 125 years of service;
- Thanked everyone watching television for inviting them into their homes.

Commissioner, Rick Sowers

Commissioner, Brian Delzeit

Mayor, Joyce Warshaw

- Thanks Commissioner Smoll for the pep talk regarding our public employees;
- Parent Teacher conferences are this week;
- Be careful of the children during Halloween and always.

**ADJOURNMENT**

Commissioner Kent Smoll moved to adjourn the meeting; Commissioner Jan Scoggins seconded the motion. The motion carried unanimously.

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Nannette Pogue, City Clerk

## *Memorandum*

*To: City Commission*  
*From: Cherise Tieben, City Manager*  
*Date: October 29, 2015*  
*Subject: Approval of Amendment No. 9 to the Agreement for Operations and Maintenance and Management Services for the Wastewater Treatment Plants*

*Agenda Item Consent Calendar*

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**Recommendation:** I recommend the approval of Amendment No. 9 to the Agreement for Operations Maintenance and Management Service for both Wastewater Treatment Plants with OMI.

**Background:** Amendment No. 9 covers compensation for the operation of both of the City's treatment plants from January 1, 2016, through December 31, 2016. The original agreement allows for an increase each year of, not to exceed, 3.5% in the Base Fee amount. The proposed Amendment calls for a 2.4% increase which would bring the Base Fee to \$1,740,484.89. The charges remain the same as last year's Agreement for biosolids costs, gypsum, repairs costs, chemicals and the membrane performance agreement.

**Justification:** OMI continues to operate the south wastewater treatment plant and the new north wastewater treatment plant and all systems associated with the sewer systems. OMI continues to be very professional and a part of our team. They are very knowledgeable in the maintenance and operation of the facilities.

**Financial Considerations:** A 2.4% increase in the Base Fee. The reimbursable items remain the same.

**Purpose/Mission:** The mission of the wastewater treatment facilities is to provide a safe and sanitary systems to protect the public and to comply with Kansas Department of Health and Environment permits, regulations, testing and reporting.

**Legal Considerations:** The proposed amendment provides for an annual adjustment to the cost of operation, maintenance and management services of the wastewater treatment facilities as allowed in the March 1, 2007, agreement.

**Attachments:** Amendment No. 9

**AMENDMENT NO. 9**  
**To the**  
**AGREEMENT**  
**For**  
**OPERATIONS, MAINTENANCE AND**  
**MANAGEMENT SERVICES**

**THIS AMENDMENT NO. 9** is made and entered into this \_\_\_ day of \_\_\_\_\_, 2015, by and between the City of Dodge City, Kansas (hereinafter "Owner"), whose address for any formal notice is P.O. Box 880, Dodge City, Kansas 67801 and Operations Management International, Inc. (hereinafter "CH2M HILL"), whose address for any formal notice is 9191 South Jamaica Street, Englewood, CO 80112. This is an Amendment is to the Agreement for Operations, Maintenance and Management Services dated the 1<sup>st</sup> day of March, 2007, between Owner and CH2M HILL (the "Agreement"). Collectively, Owner and CH2M HILL will be referred to as the "Parties" and each individually as a "Party."

Owner and CH2M HILL agree that the Agreement shall be and is hereby amended and modified in the following manner:

1. Article E.1.1 in Appendix E is deleted in its entirety and replaced with the following Article E.1.1 in Appendix E:

E.1.1 Owner shall pay to CH2M HILL as compensation for Services performed under this Agreement One Million Seven Hundred Forty Thousand Four Hundred Eighty Four Dollars and Eighty Nine Cents (\$1,740,484.89) which includes the Base Fee, Biosolids Costs, Gypsum, Repairs Costs, Chemicals and the Membrane Performance Agreement for the period of January 1, 2016 through December 31, 2016. The Base Fee for subsequent calendar years of the initial term and any subsequent terms shall be determined as hereinafter specified.

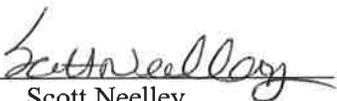
All other terms and conditions of the original March 1, 2007 Agreement, as it has subsequently been amended, shall remain in effect. The Parties hereby approve this Amendment as is indicated by the signatures of their authorized representatives, below.

**OPERATIONS MANAGEMENT  
INTERNATIONAL, INC.**

**CITY OF DODGE CITY, KANSAS**

Authorized Signature:

Authorized Signature:

  
Name: Scott Neelley  
Title: Vice President  
Date: 9/18/15

\_\_\_\_\_  
Name: Cherise Tieben  
Title: City Manager  
Date: \_\_\_\_\_

**AMENDMENT NO. 9**  
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**OPERATIONS MANAGEMENT  
INTERNATIONAL, INC.**

**CITY OF DODGE CITY, KANSAS**

Authorized Signature:

Authorized Signature:

\_\_\_\_\_  
*Scott Neelley*  
Name: Scott Neelley  
Title: Vice President  
Date: 9/18/15

\_\_\_\_\_  
Name: Cherise Tieben  
Title: City Manager  
Date: \_\_\_\_\_

City of Dodge City

City of Dodge City  
806 N. Second Ave.  
67801

Phone: 620-225-8100  
FAX: 620-225-8144  
www.dodgecity.org

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*Memorandum*

*To: Cherise Tieben, City Manager*  
*From: Nannette Pogue*  
*Date: October 29, 2015*  
*Subject: Ordinance No. 3617*  
*Agenda Item: Ordinances and Resolutions*

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**Recommendation:** I recommend the City Commission approve Ordinance No. 3617.

**Background:** The City of Dodge City previously took several actions to establish a Star Bond District in the downtown area of Dodge City. This includes Lewis Motors, the downtown area to Boot Hill and then south including the planned Holiday Inn Express and the Regional Outdoor Aquatics Facility. The actions that the City took to establish and approve this district are chronologically listed in Ordinance No. 3617.

In order to fund the improvements in the area, Star (Sales Tax Revenue) Bonds will be issued to fund eligible costs. Those eligible costs include: the costs of the project; deposits to debt service reserve; capitalized interest on the bonds; and certain costs related to the issuance of the bonds.

This ordinance authorizes the City to issue and sell bonds in an aggregate amount not to exceed \$18,000,000. It also authorizes and approves documents including: the Bond Trust Indenture between the City and Security Bank of Kansas City; Purchase Contract between the City and Stifel Nicolaus & Company; the Tax Compliance Agreement; City Continuing Disclosure Agreement for the bonds; and tax distribution agreement. By authorizing this ordinance, the City also approves the use of the Preliminary Official statement in connection with the sale of the bonds. The ordinance also authorizes the Mayor to execute all documents necessary to complete the transactions and for the City Clerk to attest and affix the seal of the City.

**Justification:** The improvements in the Heritage District will be financed by Star Bonds. In order to complete this financing it is necessary to authorize Ordinance No. 3617.

**Financial Considerations:** Some of the bonds issued will be escrowed until such time as the Holiday Inn Express construction and restaurant improvements are made to a point that the bond owners are satisfied. The remainder of the funding will be available to complete the improvements. The increment sales tax will be remitted monthly to the escrow agent and those revenues will be held to make annual payments on the bonds.

**Purpose/Mission:** We value progress and growth for the community's future.

**Legal Considerations:** All have been satisfied or are being satisfied with the assistance of Gary Anderson, Gilmore and Bell, the City's bond counsel and many other professional services. They have prepared all of the ordinances and other documents necessary to legally complete the sale.

**Attachments:** Ordinance No. 3617.

**ORDINANCE NO. 3617**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF SALES TAX SPECIAL OBLIGATION REVENUE BONDS (HERITAGE PROJECT AREA) IN AN AGGREGATE ORIGINAL PRINCIPAL AMOUNT NOT TO EXCEED \$18,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE CERTAIN COSTS RELATING TO THE HERITAGE PROJECT PLAN; AUTHORIZING AND APPROVING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.**

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**WHEREAS**, the City of Dodge City, Kansas (the “City”) is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State as a city of the first class; and

**WHEREAS**, the City desires to promote, stimulate and develop the general and economic welfare of the City and the State of Kansas (the “State”) and to assist in the development and redevelopment of eligible areas within the City, thereby promoting the general welfare of the citizens of the State and the City, by acquiring property and providing for the development and redevelopment thereof and the financing relating thereto; and

**WHEREAS**, on February 6, 2012, the governing body of the City adopted Resolution No. 2012-05 establishing its intent to create a STAR bond project district within the City (the “Original STAR Bond Project District”) and setting a date for a public hearing with respect thereto; and

**WHEREAS**, on February 14, 2012, the Secretary of Commerce of the State of Kansas (the “Secretary”) determined that the Original STAR Bond Project District is an “eligible area” under provisions of K.S.A. 12-17,160, *et seq.*, as amended (the “Act”); and

**WHEREAS**, a public hearing was held on March 19, 2012, after proper notice was published in accordance with the Act, regarding the creation of the Original STAR Bond Project District; and

**WHEREAS**, the governing body of the City adopted Ordinance No. 3527 on March 19, 2012, which created the Original STAR Bond Project District, which contained two project areas known as the “Heritage Area” and the “Entertainment Area”; and

**WHEREAS**, on September 22, 2014, the governing body of the City adopted Resolution No. 2014-23 establishing its intent to expand the Original STAR Bond Project District by including approximately 25 acres of additional real property in the Heritage Area (such expanded district to be referred to herein as the “STAR Bond Project District”) and setting a date for a public hearing with respect thereto; and

**WHEREAS**, on October 22, 2014, the Secretary determined that the expanded STAR Bond Project District is an “eligible area” under the Act; and

**WHEREAS**, a public hearing was held on October 23, 2014, after proper notice was published in accordance with the Act, regarding the expansion of the Original STAR Bond District; and

**WHEREAS**, the governing body of the City adopted Ordinance No. 3594 on October 23, 2014, which created the expanded STAR Bond Project District; and

**WHEREAS**, the City prepared the STAR Bond Project Plan for the Heritage Area dated March 10, 2015 (the "Heritage Area Project Plan") in consultation with the City's Planning Commission, which Project Plan provides for the redevelopment of the Heritage Area of the STAR Bond Project District as described therein (the "Heritage Area Project"); and

**WHEREAS**, on March 16, 2015, the governing body of the City adopted Resolution No. 2015-05 setting a date for a public hearing with respect the Heritage Area Project Plan; and

**WHEREAS**, a public hearing was held on April 20, 2015, after proper notice was published in accordance with the Act, regarding the Heritage Area Project Plan; and

**WHEREAS**, the governing body of the City adopted Ordinance No. 3605 on April 20, 2015, adopting the Heritage Area Project Plan; and

**WHEREAS**, on July 8, 2015, the Secretary (a) determined that the STAR Bond Project District is an "eligible area" under the Act, (b) approved the Heritage Area Project as a "STAR bond project" within the meaning of the Act and (c) approved the issuance of up to \$14,642,244 (exclusive of approved financing costs) of STAR Bonds to be issued to finance the Heritage Area Project; and

**WHEREAS**, pursuant to the Act, the City is authorized to issue its Sales Tax Special Obligation Revenue Bonds (Heritage Project Area) (the "Bonds") in the aggregate original principal amount not to exceed \$18,000,000 under the hereinafter described Bond Indenture, for the purpose of implementing the Heritage Project Area by providing funds to (a) finance a portion of the Costs of the Project (as defined in the Bond Indenture), (b) fund a deposit to the Debt Service Reserve Fund, (c) fund a deposit to the Capitalized Interest Fund, and (d) pay certain costs related to the issuance of the Bonds; and

**WHEREAS**, the governing body of the City hereby finds and determines that the issuance of the Bonds to provide funds for the purposes described herein in the manner provided in the Act and pursuant to the provisions of the Bond Indenture, will serve one or more of the public purposes set forth in the Act and will promote, stimulate and develop the general and economic welfare of the City; and

**WHEREAS**, the governing body of the City further finds and determines that it is necessary and desirable in connection with the issuance of the Bonds that the City enter into certain agreements, and that the City take certain other actions and approve the execution of certain other documents as herein provided.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY, AS FOLLOWS:**

**Section 1. Authorization of the Bonds.** The City is hereby authorized to issue and sell the Bonds in an aggregate original principal amount not to exceed \$18,000,000, the proceeds of which will be used to (a) pay Costs of the Project, (b) fund deposits to debt service reserve funds with respect to the Bonds, (c) fund capitalized interest on the Bonds and (d) pay certain costs related to the issuance of the Bonds. The Bonds shall be issued and secured pursuant to the herein authorized Bond Indenture and shall bear such dates, shall be in such denominations, shall be in such forms, shall mature on the dates and in the

principal amounts and maturity amounts, shall bear interest at rates not to exceed the maximum rate permitted by law and shall be subject to redemption on the dates and in the principal amounts as provided in the Bond Indenture and Purchase Contract (as hereinafter defined), and shall have such other terms and provisions, shall be issued, executed, authenticated and delivered in such manner and shall be subject to such provisions, covenants and agreements, as are set forth in the Bond Indenture. The Bonds shall be sold and delivered to the order of the purchasers thereof in accordance with the terms and conditions of the Purchase Contract, at such prices as are set forth therein.

The Bonds, together with interest and premium, if any, thereon are not general obligations of the City but are limited obligations payable solely from the trust estate pledged to the payment thereof under the Bond Indenture and shall be a valid claim of the respective holders thereof only against the trust estate and other moneys held by the Trustee and the revenues so pledged as aforesaid. In no event shall the Bonds be payable out of any funds or properties other than those pledged or acquired under the Bond Indenture, and the Bonds shall not be deemed to constitute a debt or liability of the State, the City or of any political subdivision thereof and the issuance of the Bonds shall not, directly, indirectly or contingently, obligate the City, the State or any political subdivision thereof to levy any form of taxation therefor or to budget or make any appropriation for their payment. Nothing in the Bonds, the Bond Indenture, the proceedings of the City authorizing the Bonds or the Act shall be construed to be a debt or loan of credit of the City, the State or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

**Section 2. Authorization and Approval of Documents.** The following documents are hereby approved in substantially the forms presented to the governing body of the City at this meeting, and the City is hereby authorized to execute and deliver each of such documents (the "City Documents") with such changes therein as shall be approved by the officer or officers of the City executing such documents, such officers' signatures thereon being conclusive evidence of their approval and the City's approval thereof:

(a) Bond Trust Indenture dated as of the date stated therein for the Bonds (the "Bond Indenture"), between the City and Security Bank of Kansas City, Kansas City, Kansas, as trustee (the "Trustee"), authorizing the issuance of the Bonds.

(b) Purchase Contract dated as of the date stated therein for the Bonds (the "Purchase Contract"), between the City and Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), relating to the purchase of the Bonds.

(c) Tax Compliance Agreement dated as of the date stated therein for the Bonds, between the City and the Trustee, relating to the Bonds.

(d) City Continuing Disclosure Agreement for the Bonds, dated as of the date stated therein between the City and the Trustee, as dissemination agent, relating to the Bonds.

(e) Tax Distribution Agreement dated as of the date set forth therein (the "Tax Distribution Agreement") among the City, the Trustee and the other parties named therein, which provides for certain distributions of tax revenues for the benefit of the Bonds.

**Section 3. Approval of Use of Official Statement.** The City hereby approves the use of the Preliminary Official Statement for the Bonds, from which final Official Statement for the Bonds shall be drafted (the "Official Statement"), in connection with the sale of the Bonds, in substantially the form presented to the City, with such changes therein as shall be approved by the officer of the City executing the Official Statement, such officer's signature thereon being conclusive evidence of his approval and the City's approval thereof.

The Official Statement and the use and distribution thereof by the Underwriter are hereby approved. For the purpose of enabling the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Mayor of the City is hereby authorized and directed to deem the Official Statement to be "final" as of their respective dates, except for the omission of such information as is permitted by the Rule, and, if requested, to provide the Underwriter a letter or certification to such effect and to take such other actions or execute such other documents as the Mayor of the City in his reasonable judgment deems necessary to enable the Underwriter to comply with the requirements of such Rule.

**Section 4. Execution of Bonds and Documents.** The Mayor of the City is hereby authorized and directed to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the City in the manner provided in the Bond Indenture. The Mayor of the City is hereby authorized and directed to execute the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, with such changes as the Mayor deems necessary or appropriate, for and on behalf of and as the act and deed of the City. The Clerk of the City is hereby authorized and directed to attest to and affix the seal of the City to the Bonds, the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

**Section 5. Further Authority.** The City shall, and the officers, employees and agents of the City are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments, including without limitation documents relating to the qualifications of the Bonds under the "blue sky" laws of the various states of the United States of America, documents necessary to obtain approvals of the Secretary as required by law, and any agreements with respect to the investment of funds held under the Bond Indenture, as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents.

**Section 6. Severability.** The provisions of this Ordinance shall not be severable.

**Section 8. Effective Date.** This Ordinance shall take effect and be in full force after its adoption by the City and publication once in the official newspaper of the City.

**PASSED** by the governing body of the City this 2nd day of November, 2015.

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Mayor

(Seal)

ATTEST:

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City Clerk

# *Memorandum*

*To: Cherise Tieben, City Manager*  
*From: Nannette Pogue, Finance Director/City Clerk*  
*Date: October 29, 2015*  
*Subject: Ordinance No. 3618*  
*Agenda Item: Ordinances and Resolutions*

**Recommendation:** I recommend the approval of Ordinance No. 3618.

**Background:** Leisure Development, LLC is asking the City of Dodge City to issue an amount not to exceed \$16,500,000 in Industrial Revenue Bonds to provide funds to pay the costs of the acquisition, construction and equipping a hotel facility, restaurant and RV Park. The City is authorized and empowered under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive (the "Act"), to issue industrial revenue bonds to pay the cost of certain facilities (as defined in the Act) for the purposes set forth in the Act, and to lease such facilities to private persons, firms or corporations.

Previously, the City Commission authorized Resolution No. 2015-13, a resolution of intent to issue the Industrial Revenue Bonds. Ordinance No. 3618 authorizes the City of Dodge City to issue Industrial Revenue Bonds in an amount not to exceed \$16,500,000. It also authorizes the approval of documents including: Bond Indenture; Base Lease Agreement; and a Lease Agreement. The Mayor is authorized to execute any documents necessary to complete the transaction.

With the issuance of Industrial Revenue Bonds, the City of Dodge City will have no financial obligation, as the bonds are not backed by the City. Leisure Development, LLC will repay the bonds.

**Justification:** To promote economic development in Dodge City and allow Leisure Development to finance their project with the issuance of Industrial Revenue Bonds.

**Financial Considerations:** None – Leisure Development will pay all costs involved.

**Purpose/Mission:** We value progress, growth and new possibilities.

**Legal Considerations:** All legal considerations will be met with documents provided by Gilmore & Bell, the Leisure Development LLC Bond Counsel.

**Attachments:** Ordinance No. 3618

**ORDINANCE NO. 3618**

**AN ORDINANCE AUTHORIZING THE ISSUANCE BY THE CITY OF DODGE CITY, KANSAS OF NOT TO EXCEED \$16,500,000 AGGREGATE PRINCIPAL AMOUNT OF TAXABLE INDUSTRIAL REVENUE BONDS (INN VESTMENTS II, L.L.C. PROJECT), SERIES 2015, TO PROVIDE FUNDS TO ACQUIRE, CONSTRUCT AND EQUIP A PROJECT FOR INN VESTMENTS II, L.L.C. AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.**

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**WHEREAS**, the City of Dodge City, Kansas (the “Issuer”) is a municipal corporation and political subdivision duly organized and validly as a city of the first class; and

**WHEREAS**, the Issuer is authorized by K.S.A. 12-1740 to 12-1749d, inclusive, as amended (collectively, the “Act”), to issue revenue bonds, the proceeds of which shall be used for the purpose of paying all or part of the cost of purchasing, acquiring, constructing, reconstructing, improving, equipping, furnishing, repairing, enlarging or remodeling facilities for agricultural, commercial, hospital, industrial, natural resources, recreational development and manufacturing purposes; and

**WHEREAS**, pursuant to the Act, the Issuer proposes to issue its Taxable Industrial Revenue Bonds (Inn Vestments II, L.L.C. Project), Series 2015 (the “Bonds”), in an aggregate principal amount not to exceed \$16,500,000, for the purpose of (a) acquiring, constructing and equipping approximately 90 room hotel to be located at 201 4<sup>th</sup> Avenue, an approximately 12,000 square foot restaurant to be located at 301 4<sup>th</sup> Avenue and a R/V campground to be located at 701 Park Street, all in the City for Inn Vestments II, L.L.C., a Kansas limited liability company (the “Company”), and (b) paying certain costs of issuance, all as further described in the hereinafter referred to Bond Indenture and Lease Agreement; and

**WHEREAS**, the Bonds will be issued under a Bond Trust Indenture dated as of the date set forth therein (the “Bond Indenture”), by and between the Issuer and Security Bank of Kansas City, as Bond Trustee (the “Bond Trustee”); and

**WHEREAS**, the Company will lease the Project to the Issuer pursuant to the Base Lease Agreement of even date herewith (the “Base Lease”) between the Company and the Issuer; and

**WHEREAS**, simultaneously with the execution and delivery of the Bond Indenture, the Issuer will enter into a Lease Agreement dated as of the date set forth therein (the “Lease Agreement”), by and between the Issuer, as lessor, and the Company, as lessee, pursuant to which the Project (as defined in the Bond Indenture) will be acquired, constructed and equipped and pursuant to which the Issuer will lease the Project to the Company, and the Company will agree to pay Lease Payments (as defined in the Bond Indenture) sufficient to pay the principal of and premium, if any, and interest on, the Bonds; and

**WHEREAS**, the Issuer further finds and determines that it is necessary and desirable in connection with the issuance of the Bonds that the Issuer execute and deliver certain documents and that the Issuer take certain other actions as herein provided;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF DODGE CITY, KANSAS:**

**Section 1. Findings and Determinations.** The Issuer hereby makes the following findings and determinations with respect to the Company and the Bonds to be issued by the Issuer, based upon representations made to the Issuer:

(a) The Company has properly requested the Issuer's assistance in financing the costs of the Project;

(b) The issuance of the Bonds for the purpose of providing funds to finance the costs of the Project is in furtherance of the public purposes set forth in the Act; and

(c) The Bonds are being issued for a valid purpose under and in accordance with the provisions of the Act.

**Section 2. Authorization of the Bonds.** The Issuer is hereby authorized to issue the Bonds in the aggregate principal amount of not to exceed \$16,500,000, which shall be issued under and secured by and shall have the terms and provisions set forth in the Bond Indenture. The Bonds shall bear interest at an interest rate not to exceed 2.00% per annum, and shall mature not later than the year 2016, and shall have such redemption provisions, including premiums, and other terms as set forth in the Bond Indenture. The final terms of the Bonds shall be specified in the Bond Indenture, and the signatures of the officers of the Issuer executing such Bond Indenture shall constitute conclusive evidence of their approval and the Issuer's approval thereof.

**Section 3. Limited Obligations.** The Bonds shall be limited obligations of the Issuer, payable solely from the sources and in the manner as provided in the Bond Indenture, and shall be secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate (as defined in the Bond Indenture) to the Bond Trustee and in favor of the owners of the Bonds, as provided in the Bond Indenture. The Bonds and interest thereon shall not be deemed to constitute a debt or liability of the Issuer, the State of Kansas (the "State") or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the Issuer, the State or of any political subdivision thereof, but shall be payable solely from the funds provided for in the Lease Agreement and the Bond Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Issuer, the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. No breach by the Issuer of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the Issuer or any charge upon its general credit or against its taxing power.

**Section 4. Authorization and Approval of Documents.** The following documents are hereby approved in substantially the forms presented to and reviewed by the Issuer (copies of which documents, upon execution thereof, shall be filed in the office of the City Clerk), and the Issuer is hereby authorized to execute and deliver each of such documents (the "Issuer Documents") with such changes therein (including the dated date thereof) as shall be approved by the officials of the Issuer executing such documents, such officials' signatures thereon being conclusive evidence of their approval and the Issuer's approval thereof:

(a) Bond Indenture providing for the issuance thereunder of the Bonds and setting forth the terms and provisions applicable to the Bonds, including a pledge and assignment by the Issuer of the Trust Estate to the Bond Trustee for the benefit and security of the owners of the Bonds upon the terms and conditions as set forth in the Bond Indenture;

(b) Base Lease Agreement under which the Company will lease to the Issuer the property financed and refinanced with the proceeds of the Bonds in consideration of the Issuer's deposit of the proceeds of the Bonds into the funds described in the Bond Indenture; and

(c) Lease Agreement under which the Issuer will make the proceeds of the Bonds available to the Company for the purposes herein described in consideration of payments that will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds.

**Section 5. Execution of Bonds and Documents.** The Mayor of the Issuer is hereby authorized and directed to execute the Bonds by manual or facsimile signature and to deliver the Bonds to the Bond Trustee for authentication for and on behalf of and as the act and deed of the Issuer in the manner provided in the Bond Indenture. The Mayor of the Issuer is hereby authorized and directed to execute and deliver the Issuer Documents for and on behalf of and as the act and deed of the Issuer. The City Clerk of the Issuer is hereby authorized and directed to attest, by manual or facsimile signature, to the Bonds, the Issuer Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

**Section 6. Further Authority.** The Issuer shall, and the officials, agents and employees of the Issuer are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments, including, without limitation, any credit enhancement and security documents, arbitrage certificate, redemption notices, closing certificates and tax forms, as may be necessary or desirable to carry out and comply with the intent of this Ordinance, and to carry out, comply with and perform the duties of the Issuer with respect to the Bonds and the Issuer Documents.

**Section 7. Effective Date.** This Ordinance shall take effect and be in full force immediately after its adoption by the Governing Body of the Issuer and publication in the official newspaper of the Issuer.

**PASSED** by the City Commission of the City of Dodge City, Kansas on \_\_\_\_\_, 2015 and **APPROVED AND SIGNED** by the Mayor.

\_\_\_\_\_  
Mayor

(Seal)  
ATTEST:

\_\_\_\_\_  
City Clerk

Approved As To Form Only:

\_\_\_\_\_  
Bradley C. Ralph, City Attorney

## Memorandum

*To: City Manager  
City Commissioners*

*From: Mollea Wainscott  
Special Projects Coordinator*

*Date: 11/02/15*

*Subject: Resolution in Support of Application  
Funding Through the MIH Program*

*Agenda Item: Resolution No. 2015-24*

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**Recommendation:** Staff recommends the approval of Resolution No. 2015-24 which indicates the City of Dodge City's support of the Community Housing Association of Dodge City's application to the Kansas Housing Resources Corporation (KHRC) for funding through the Moderate Income Housing (MIH) Program.

**Background:** In May 2015, the City and County received the CHAT report which provided the community with a housing needs and analysis. The report showed that our community housing needs were substantial. The report also indicated that there was a need for housing on many different income levels.

The MIH Program allows applicants to apply for loans or grants for infrastructure necessary to support housing or actual housing development of moderate income housing in rural areas.

**Justification:** Housing continues to be a constant challenge in the Dodge City/Ford County area. The approval of this Resolution will allow the developer to apply for funding through the MIH program offered through the KHRC for development of housing targeted towards moderate income units.

**Financial Considerations:** None at this time.

**Purpose/Mission:** This resolution will assist Staff in supporting a developer who is working to bring much needed housing opportunities to our community, therefore, improving the quality of life for our citizens.

**Legal Considerations:** None.

**Attachments:** Resolution No. 2015-24

**RESOLUTION NO. 2015-24**

**A RESOLUTION IN SUPPORT OF AN APPLICATION FOR FUNDING THROUGH THE MODERATE INCOME HOUSING PROGRAM OFFERED THROUGH THE KANSAS HOUSING RESOURCES CORPORATION TO BE UTILIZED FOR THE ABANDONED HOUSING PROGRAM IN DODGE CITY, KANSAS**

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**WHEREAS**, the City of Dodge City, Kansas has received a request by Community Housing Association of Dodge City (CHAD) reflecting their desire to submit a Moderate Income Housing application in partnership with the City of Dodge City, Kansas;

**WHEREAS**, the application is prepared and ready to be filed with the Kansas Housing Resources Corporation for the Abandoned Housing Program;

**WHEREAS**, the City of Dodge City, Kansas updated a CHAT Report (Community Housing Assessment) in 2015 which indicates the continued need for owner and renter occupied housing;

**NOW THEREFORE BE IT RESOLVED**, that the Governing Body of the City of Dodge City by adoption of this Resolution indicates their support, approval, coordination and partnership with the CHAD and their application for grant funding to the Kansas Housing Resources Corporation through the Kansas Moderate Income Housing Program for the aforesaid housing project in the amount of One Hundred Fifty Thousand Dollars (\$150,000).

**ADOPTED BY THE GOVERNING BODY AND APPROVED BY THE MAYOR**, this day of the 2<sup>nd</sup> of November, 2015.

City of Dodge City, KS

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Joyce Warshaw, Mayor

ATTEST:

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Nannette Pogue, City Clerk

## *Memorandum*

*To: Cherise Tieben City Manager*  
*From: Nannette Pogue*  
*Date: October 29, 2015*  
*Subject: Resolution No. 2015-25*  
*Agenda Item: Ordinances and Resolutions*

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**Recommendation:** I recommend the City Commission approve Resolution No. 2015-25

**Background:** Resolution No. 2015- is a resolution that offers for sale general obligation bonds, series 2015-A of the City of Dodge City.

Included in this offering will be bonds to finance several street improvements including; Central to Layton in the amount of \$1,475,000, US 50 and Airway Intersection in the amount of \$150,000 and Central Avenue from Comanche to Wyatt Earp in the amount of \$4,100,000. The par amount of the bonds will be \$5,350,000. Earlier this year, the City Commission approved the street projects.

**Justification:** The City is offering for sale the bonds and approving the Preliminary Official Statement so that the underwriter can take the bonds to the market.

**Financial Considerations:** The bonds will mature over 20 years.

**Purpose/Mission:** We strive for high service and performance standards

**Legal Considerations:** Legal obligations fulfilled by authorizing resolution.

**Attachments:** Resolution No. 2015- 25

**RESOLUTION NO. 2015-25**

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES 2015-A, OF THE CITY OF DODGE CITY, KANSAS.**

**WHEREAS**, the City of Dodge City, Kansas (the “Issuer”), has previously authorized certain internal improvements pursuant to K.S.A. 12-685 *et seq.*, described as follows (collectively, the “Improvements”):

<u>Project Description</u>	<u>Ord./Res. No.</u>	<u>Amount</u>
Main Trafficway – Central Avenue widening from Layton Street to approx. 450’ south of US 50, storm drainage modifications and installation of traffic signal	Ord. 3169/ Res. 2015-01	\$1,475,000
Main Trafficway – U.S. 50 & Fairway Drive Intersection	Ord. 3569/ Res. 2015-01	150,000
Main Trafficway – Central Avenue reconstruction from Wyatt Earp Boulevard to Comanche	Ord. 3169/ Res. 2015-23	<u>8,360,000</u> <sup>1</sup>
<b>Total:</b>		<b>\$9,985,000</b>

**WHEREAS**, the Issuer desires to issue its general obligation bonds in order to permanently finance the costs of such Improvements; and

**WHEREAS**, the Issuer has selected the firm of Stifel Nicolaus & Company, Inc., Wichita, Kansas (“Financial Advisor”), as financial advisor for one or more series of general obligation bonds of the Issuer to be issued in order to provide funds to permanently finance the Improvements; and

**WHEREAS**, the Issuer desires to authorize the Financial Advisor to proceed with the offering for sale of said general obligation bonds and related activities; and

**WHEREAS**, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation bonds; and

**WHEREAS**, the Issuer desires to authorize the Financial Advisor and Gilmore & Bell, P.C., Wichita, Kansas, the Issuer’s bond counsel (“Bond Counsel”), in conjunction with the Director of Finance to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation bonds

**BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS, AS FOLLOWS:**

**Section 1.** The Issuer is hereby authorized to offer for sale the Issuer’s General Obligation Bonds, Series 2015-A (the “Bonds”) described in the Notice of Bond Sale, which is hereby approved in substantially the form presented to the governing body this date. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in said Notice of Bond Sale, and shall be reviewed by the City Manager, Director of Finance, Financial Advisor and Bond Counsel as soon after the submittal

hour as possible. The Mayor is hereby authorized to award the sale of the Bonds to the submitter of the best proposal as determined pursuant to the provisions of the Notice of Bond Sale or to reject all proposals; provided, however, that the principal amount of the Bonds shall not exceed \$6,000,000 and the true interest cost of the Bonds shall not exceed 4.5%. All proposals for the purchase of the Bonds shall be delivered to the governing body at its meeting to be held on the sale date referenced in the Notice of Bond Sale, at which meeting the governing body shall ratify the award of the sale of the Bonds or the rejection of all proposals.

**Section 2.** The Director of Finance, in conjunction with the Financial Advisor and Bond Counsel are hereby authorized to cause to be prepared a Preliminary Official Statement, and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Bonds.

**Section 3.** The Director of Finance, in conjunction with Bond Counsel, is hereby authorized and directed to give notice of said bond sale by publishing a summary of the Notice of Bond Sale not less than 6 days before the date of the bond sale in a newspaper of general circulation in Ford County, Kansas, and the *Kansas Register* and by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in said Notice of Bond Sale, and shall be delivered to the governing body at its meeting to be held on the sale date referenced in the Notice of Bond Sale, at which meeting the governing body shall review such bids and shall award the sale of the Bonds or reject all proposals.

**Section 4.** For the purpose of enabling the purchaser of the Bonds (the “Purchaser”) to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Mayor and Director of Finance or other appropriate officers of the Issuer are hereby authorized: (a) to approve the form of said Preliminary Official Statement and to execute the “Certificate Deeming Preliminary Official Statement Final” in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official’s signature thereon being conclusive evidence of such official’s and the Issuer’s approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

**Section 5.** The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

**Section 6.** The Mayor, City Manager, Director of Finance, City Attorney and the other officers and representatives of the Issuer, the Financial Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds.

**Section 7.** The Mayor and Director of Finance are hereby authorized and directed to execute the Financial Advisory Services agreement related to services to be provided by the Financial Advisor, in substantially presented to the governing body this date.

**Section 8.** This Resolution shall be in full force and effect from and after its adoption.

**ADOPTED** by the governing body on November 2, 2015.

(SEAL)

ATTEST:

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Mayor

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Clerk



## City of Dodge City

806 N. Second Ave.  
PO Box 880  
Dodge City, KS 67801

Phone: 620-225-8100  
FAX: 620-225-8144  
www.dodgecity.org

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### Memorandum

To: City Commissioners and City Manager

From: Project Development Coordinator, Melissa McCoy and Director of Parks and Recreation Paul Lewis

Date: October 30, 2015

Subject: Approval of Bid for TE Project 29TE-0374-01 for the ATSF Railway Depot

Agenda Item: New Business

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**Recommendation:** Staff recommends approval of the low bid from Sutherland Builders Inc. of Wichita, Kansas for \$220,000 for base bid one for the north and east windows, doors and soffits project which is partially funded by KDOT Transportation Enhancement funds. Staff also recommends approval of base bid two for lead paint for \$31,000 which is only funded by the City and base bid three, the construction warranty which has no additional cost. This project is subject to approval by KDOT.

**Background:** The City was awarded Transportation Enhancement Funds from KDOT for the Atchison, Topeka and Santa Fe (ATSF) Railway Depot project in the fall of 2013. The project has been delayed slightly due to requirements of Transportation Enhancement Funds.

**Justification:** The north and east windows/doors and soffits project is the last major exterior project to complete the restoration of the ATSF Railway Depot. The KDOT funding will provided needed financial support for the completion of the project.

**Financial Considerations:** Base Bid One for the north and east windows, doors and soffits is for \$220,000 and eighty percent of the cost will be funded through KDOT TE funds. The other twenty percent will be paid for through the Tourism Task Force Depot Development Funds which is funded through "Why Not Dodge" Sales Tax. Base bid two is for lead paint abatement for \$31,000 and can only be paid for with City funds per restrictions of the Transportation Enhancement Funds and will also be funded by the Tourism Task Force Depot Development Funds.

The total cost for all three bids is \$251,000 of which KDOT will fund \$176,000 and the City providing the remaining \$75,000. Additionally Historic Rehabilitation Tax Credits will be used to fund 25% of the City obligation of the project which reduces the cash required by \$18,750.

**Attachments:** Bid Tab

