

# **CITY COMMISSION MEETING AGENDA**

City Hall Commission Chambers

Tuesday, January 22, 2019

7:00 p.m.

MEETING #5117

## **CALL TO ORDER**

## **ROLL CALL**

## **INVOCATION BY**

## **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, January 7, 2019;
2. Appropriation Ordinance No.2, January 22, 2019;
3. Cereal Malt Beverage License:

## **ORDINANCES & RESOLUTIONS**

**Resolution No. 2019-01:** A Resolution Determining the Advisability of the Making of Certain Internal Improvements in the City of Dodge City, Kansas; Making Certain Findings With Respect Thereto; and Authorizing and Providing for the Making of the Improvements in Accordance with Such Findings (Various Internal Improvements/Candletree Addition, Unit 8, Phase 2). Report by Finance Director/City Clerk, Nannette Pogue.

**Resolution No. 2019-02:** A Resolution of the Governing Body of the City of Dodge City, Kansas Determining that the City is Considering Establishing a Rural Housing Incentive District Within the City and Adopting a Plan for the Development of Housing and Public Facilities in Such Proposed District; Establishing the Date and Time of a Public Hearing on Such Matter; and Providing for the Giving of Notice of Such Public Hearing. (Candletree 8 Phase II). Report by Special Projects Coordinator, Mollea Wainscott.

## **UNFINISHED BUSINESS**

## **NEW BUSINESS**

1. Approve the Bid for the HVAC Management System for the United Wireless Arena. Report by Director of Administration, Ryan T. Reid.
2. Approval of Quote for Infrastructure Improvements for Candletree #8, Phase 2. Report by Director of Engineering Services, Ray Slattery.
3. Approval of Consulting Service Agreement for Sutherland's Entrance Drive. Report by City Engineer, Tanner Rutschman.
4. Approval of the 2019 Street Program. Report by Director of Engineering Services, Ray Slattery.
5. Approval of Appointment to Boards and Commissions. Report by Public Information Specialist, Abbey Martin.

## **OTHER BUSINESS**

## **ADJOURNMENT**

# **CITY COMMISSION MEETING MINUTES**

City Hall Commission Chambers

Monday, January 7, 2019

7:00 p.m.

MEETING #5116

## **CALL TO ORDER**

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

## **PLEDGE OF ALLEGIANCE**

Commissioner Jan Scoggins made a motion to move item #2 of New Business, approval of Change Order #2 for the 2018 Asphalt Street Projects and to table item #3 of New Business, approval of bid for a HVAC System for the United Wireless Arena. The motion was seconded by Commissioner Brian Delzeit. The motion carried unanimously.

## **ELECTION OF MAYOR AND VICE MAYOR**

Commissioner Joyce Warshaw nominated Brian Delzeit as Mayor. Kent Smoll seconded the motion.

The nomination was approved by a vote of: 3 yes; 1 abstention, Commissioner Brian Delzeit; and Commissioner Jan Scoggins did not vote.

Commissioner Brian Delzeit nominated Joyce Warshaw as Vice Mayor. Commissioner Kent Smoll seconded the motion. The motion carried by a vote of: 3 yes; 1 abstention, Commissioner Warshaw; and 1 no, Commissioner Jan Scoggins.

## **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, December 17, 2018;
2. Appropriation Ordinance No.1, January 7, 2019;
3. Cereal Malt Beverage License:
  - a. Walgreens #07817, 1801 N. 14<sup>th</sup> Avenue
4. Approval of Change Order #2 for the 2018 Asphalt Streets Project.

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

**NEW BUSINESS**

Commissioner Rick Sowers moved to approve the Contract with Felis Consulting LLC for the development of a Master Plan for Wright Park Zoo in the amount of \$58,000 which includes \$48,500 for the analysis, strategic development plan, master plan, and an amount not to exceed \$9,500 for reimbursable expenses with the city paying for the community engagement software under a separate agreement for \$3,000. Commissioner Kent Smoll seconded the motion. The motion carried unanimously.

**OTHER BUSINESS**

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

\_\_\_\_\_  
Mayor

ATTEST:

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

## *Memorandum*

*To: Cherise Tieben City Manager*  
*From: Nannette Pogue*  
*Date: January 9, 2019*  
*Subject: Resolution No. 2019-01*

*Agenda Item Ordinances and Resolutions*

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**Recommendation:** I recommend the approval of Resolution No. 2019-01

**Background:** A 6(a) petition has been submitted by Tim Volz for the City of Dodge City to make improvements in Candletree #8, phase 2. The improvements are for extension of water service, sewer service, construction of streets, curb and gutter and drainage. This area is part of a RHID. The proposed resolution authorizes the City to make the improvements in the benefit district and specially assess the costs of those improvements back to the property owner over a 15 year period. The City's current development policy allows special assessments as a financing tool for development projects.

**Justification:** To assist the developer in commercial development.

**Financial Considerations:** The City will issue temporary notes/GO bonds to cover the costs of the improvements and the bond payments will be made through special assessments to the benefit district.

**Purpose/Mission:** To assist in commercial redevelopment in Dodge City.

**Attachments:** Resolution No. 2019-01

**RESOLUTION NO. 2019-01**

**A RESOLUTION DETERMINING THE ADVISABILITY OF THE MAKING OF CERTAIN INTERNAL IMPROVEMENTS IN THE CITY OF DODGE CITY, KANSAS; MAKING CERTAIN FINDINGS WITH RESPECT THERETO; AND AUTHORIZING AND PROVIDING FOR THE MAKING OF THE IMPROVEMENTS IN ACCORDANCE WITH SUCH FINDINGS (VARIOUS INTERNAL IMPROVEMENTS/CANDLETREE ADDITION, UNIT 8, Phase 2).**

**WHEREAS**, a petition (the “Petition”) was filed with the City Clerk of the City of Dodge City, Kansas (the “City”) proposing certain internal improvements; and said Petition sets forth: (a) the general nature of the proposed improvements; (b) the estimated or probable cost of the proposed improvements; (c) the extent of the proposed improvement district to be assessed for the cost of the proposed improvements; (d) the proposed method of assessment; (e) the proposed apportionment of the cost between the improvement district and the City at large; and (f) a request that such improvements be made without notice and hearing as required by K.S.A. 12-6a01 *et seq.* (the “Act”); and

**WHEREAS**, the governing body of the City hereby finds and determines that said Petition was signed by the owners of record of more than one-half of the area liable for assessment for the proposed improvements, and is therefore sufficient in accordance with the provisions of the Act.

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

**Section 1. Findings of Advisability.** The governing body hereby finds and determines that:

(a) It is advisable to make the following improvements (collectively the “Improvements”):

The design, inspection, and construction of the sanitary sewer manholes, gravity sanitary sewer main, water main, water valves, fire hydrants, streets, curbs and drainage as necessary to serve the future Candletree Addition, Unit 8 (Phase 2), an addition to the City of Dodge City, Ford County, Kansas.

(b) The estimated or probable cost of the Improvements is: \$550,000 to be increased at the pro rata rate of 1 percent per month from and after the date of adoption of this Resolution.

(c) The extent of the improvement district (the “Improvement District”) to be assessed for the cost of the Improvements is:

Lots, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13, Block 4 and Lots 2, 3, 4, 5, 6, 7 and 8, Block 5 of Candletree Addition, Unit 8

(d) The method of assessment is: per lot

(e) The apportionment of the cost of the Improvements, between the Improvement District and the City at large, is: 100% to be assessed against the Improvement District and 0% to be paid by the City-at-large.

**Section 2. Authorization of Improvements.** The abovesaid Improvements are hereby authorized and ordered to be made in accordance with the findings of the governing body of the City as set forth in **Section 1** of this Resolution.

**Section 3. Bond Authority; Reimbursement.** The Act provides for the Improvements to be paid by the issuance of general obligation bonds or special obligation bonds of the City (the “Bonds”). The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation 1.150-2.

**Section 4. Effective Date.** This Resolution shall be effective upon adoption. This Resolution shall be published one time in the official City newspaper, and shall also be filed of record in the office of the Register of Deeds of Ford County, Kansas.

**ADOPTED** by the governing body of the City on January 22, 2019.

(SEAL)

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Mayor

ATTEST:

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Clerk

### **CERTIFICATE**

I hereby certify that the above and foregoing is a true and correct copy of the Resolution of the City adopted by the governing body on January 22, 2019, as the same appears of record in my office.

DATED:

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Clerk

## Memorandum

*To: City Manager  
City Commissioners*  
*From: Mollea Wainscott  
Special Projects/Housing*  
*Date: 1/22/19*  
*Subject: RHID*  
*Agenda Item: Resolution No. 2019-02*

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**Recommendation:** Staff recommends adoption of Resolution 2019-02, which establishes a date and time for a public hearing as required by Kansas statute.

**Background:** In 2008, the City commissioned a Housing Needs Analysis, which reflected a critical shortage of housing available in the community. In 2009, the City Commission adopted a Resolution providing for several incentive programs in order to encourage housing development in the City. The Rural Housing Incentive District (RHID) was identified as one of those programs. The RHID has captured the attention of several developers, locally and statewide. In 2018, the City commissioned another Housing Needs Analysis taking into consideration the progress that had developed since the 2008 Analysis. The latest Analysis continued to reflect a major shortage of housing. The establishment of this RHID will provide an incentive needed to entice developers to and in our community.

**Justification:** Housing continues to be a constant challenge in the Dodge City area. Establishment of the RHID is necessary in order to address the City's critical housing shortage.

**Financial Considerations:** None at this time. However, if utilized, the financial consideration would be dependent upon each independent development agreement.

**Purpose/Mission:** To provide adequate housing in order for the City to accommodate present and future growth.

**Legal Considerations:** None

**Attachments:** Resolution No. 2019-02

**RESOLUTION NO. 2019-02**

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS DETERMINING THAT THE CITY IS CONSIDERING ESTABLISHING A RURAL HOUSING INCENTIVE DISTRICT WITHIN THE CITY AND ADOPTING A PLAN FOR THE DEVELOPMENT OF HOUSING AND PUBLIC FACILITIES IN SUCH PROPOSED DISTRICT; ESTABLISHING THE DATE AND TIME OF A PUBLIC HEARING ON SUCH MATTER, AND PROVIDING FOR THE GIVING OF NOTICE OF SUCH PUBLIC HEARING. (CANDLETREE 8 PHASE II)**

**WHEREAS**, K.S.A. 12-5241 et seq. (the “Act”) authorizes any city incorporated in accordance with the laws of the state of Kansas (the “State”) with a population of less than 60,000 located in a county with a population of less than 80,000, to designate rural housing incentive districts within such city; and

**WHEREAS**, prior to such designation the governing body of such city shall conduct a housing needs analysis to determine what, if any, housing needs exist within its community; and

**WHEREAS**, after conducting such analysis, the governing body of such city may adopt a resolution making certain findings regarding the establishment of a rural housing incentive district and providing the legal description of property to be contained therein; and

**WHEREAS**, after publishing such resolution, the governing body of such city shall send a copy thereof to the Secretary of Commerce of the State (the “Secretary”) requesting that the Secretary agree with the finding contained in such resolution; and

**WHEREAS**, if the Secretary agrees with such findings, such city may proceed with the establishment of a rural housing incentive district within such city and adopt a plan for the development or redevelopment of housing and public facilities in the proposed district; and

**WHEREAS**, the City of Dodge City, Kansas (the “City”) has an estimated population of 27,340, is located in Ford County, Kansas, which has an estimated population of 33,848, and therefore constitutes a city as said term is defined in the Act; and

**WHEREAS**, the Governing Body of the City has performed a Housing Needs Analysis dated May 2015 (the “Needs Analysis”), a copy of which is on file in the office of the City Clerk; and

**WHEREAS**, the Governing Body of the City has heretofore adopted Resolution No. 2016-11 which made certain findings relating to the need for financial incentives relating to the construction of quality housing within the City, declared it advisable to establish a Rural Housing Incentive District pursuant to the Act and authorized the submission of such Resolution and a Housing Needs Analysis to the Kansas Department of Commerce in accordance with the provisions of the Act; and

**WHEREAS**, the Secretary of the Kansas Department of Commerce, pursuant to a letter dated May 10, 2016, authorized the City to proceed with the establishment of a Rural Housing Incentive District pursuant to the Act (the “District”); and

**WHEREAS**, the City has caused to be prepared a plan for the development or redevelopment of housing and public facilities in the District in accordance with the provisions of the Act (the “Plan”); and

**WHEREAS**, the Plan includes:

1. The legal description and map required by subsection (a) of K.S.A. 12-5245;
2. The existing assessed valuation of the real estate in the proposed District listing the land and improvement values separately;
3. A list of the names and addresses of the owners of record of all real estate parcels within the proposed District;
4. A description of the housing and public facilities project or projects that are proposed to be constructed or improved in the proposed District, and the location thereof;
5. A listing of the names, addresses and specific interests in real estate in the proposed District of the developers responsible for development of the housing and public facilities in the proposed District;
6. The contractual assurances, if any, the Governing Body has received from such developer or developers, guaranteeing the financial feasibility of specific housing tax incentive projects in the proposed District;
7. A comprehensive analysis of the feasibility of providing housing tax incentives in the proposed District as provided in the Act, which shows the public benefits derived from such District will exceed the costs and that the income therefrom, together with all public and private sources of funding, will be sufficient to pay for the public improvements that may be undertaken in such District; and

**WHEREAS**, the Governing Body of the City proposes to continue proceedings necessary to create a Rural Housing Incentive District, in accordance with the provisions of the Act, and adopt the Plan, by the calling of a public hearing on such matters.

**THEREFORE, BE IT RESOLVED** by the Governing Body of the City of Dodge City, Kansas as follows:

**Section 1. Proposed Rural Housing Incentive District.** The Governing Body hereby declares an intent to establish within the City a Rural Housing Incentive District. The District is proposed to be formed within the boundaries of the real estate legally described in *Exhibit A* attached hereto, and shown on the map depicting the

existing parcels of land attached hereto as *Exhibit B*. A list of the names and addresses of the owners of record of all real estate parcels within the proposed District and the existing assessed valuation of said real estate, listing the land and improvement values separately, is attached hereto as *Exhibit C*.

**Section 2. Proposed Plan.** The Governing Body hereby further declares an intent to adopt the Plan in substantially the form presented to the Governing Body that date. A copy of the Plan shall be filed in the office of the City Clerk and be available for public inspection during normal business hours. A description of the housing and public facilities projects that are proposed to be constructed or improved in the proposed District, and the location thereof are described in *Exhibit D* attached hereto. A summary of the contractual assurances by the developer and the comprehensive feasibility analysis is contained in *Exhibit E* attached hereto.

**Section 3. Public Hearing.** Notice is hereby given that a public hearing will be held by the Governing Body of the City to consider the establishment of the District and adoption of the Plan on March 4, 2019, at the City Commission Meeting Room, City Hall, 806 N. Second Avenue, Dodge City, Kansas 67801; the public hearing to commence at 7:00 p.m. or as soon thereafter as the Governing Body can hear the matter. At the public hearing, the Governing Body will receive public comment on such matters, and may, after the conclusion of such public hearing, consider the findings necessary for establishment of the District and adoption of the Plan, all pursuant to the Act.

**Section 4. Notice of Public Hearing.** The City Clerk is hereby authorized and directed to provide for notice of the public hearing by taking the following actions;

- a) A certified copy of this resolution shall be delivered to:
  - i) the Board of County Commissioners of Ford County, Kansas;
  - ii) the Board of Education of U.S.D. No. 443; and
  - iii) the Planning Commission of the City.
- b) This Resolution, specifically including *Exhibit A* thru *E* attached hereto, shall be published at least once in the official newspaper of the City not less than one week nor more than two weeks preceding the date of the public hearing.

**Section 5. Further Action.** The Mayor, City Manager, City Clerk and the officials and employees of the City, including the City Attorney, are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Resolution.

**Section 6. Effective Date.** This Resolution shall take effect after its adoption by the Governing Body.

**ADOPTED** by the Governing Body of the City of Dodge City, Kansas, on January 22, 2019.

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Brian Delzeit, Mayor

ATTEST:

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Nannette Pogue, City Clerk

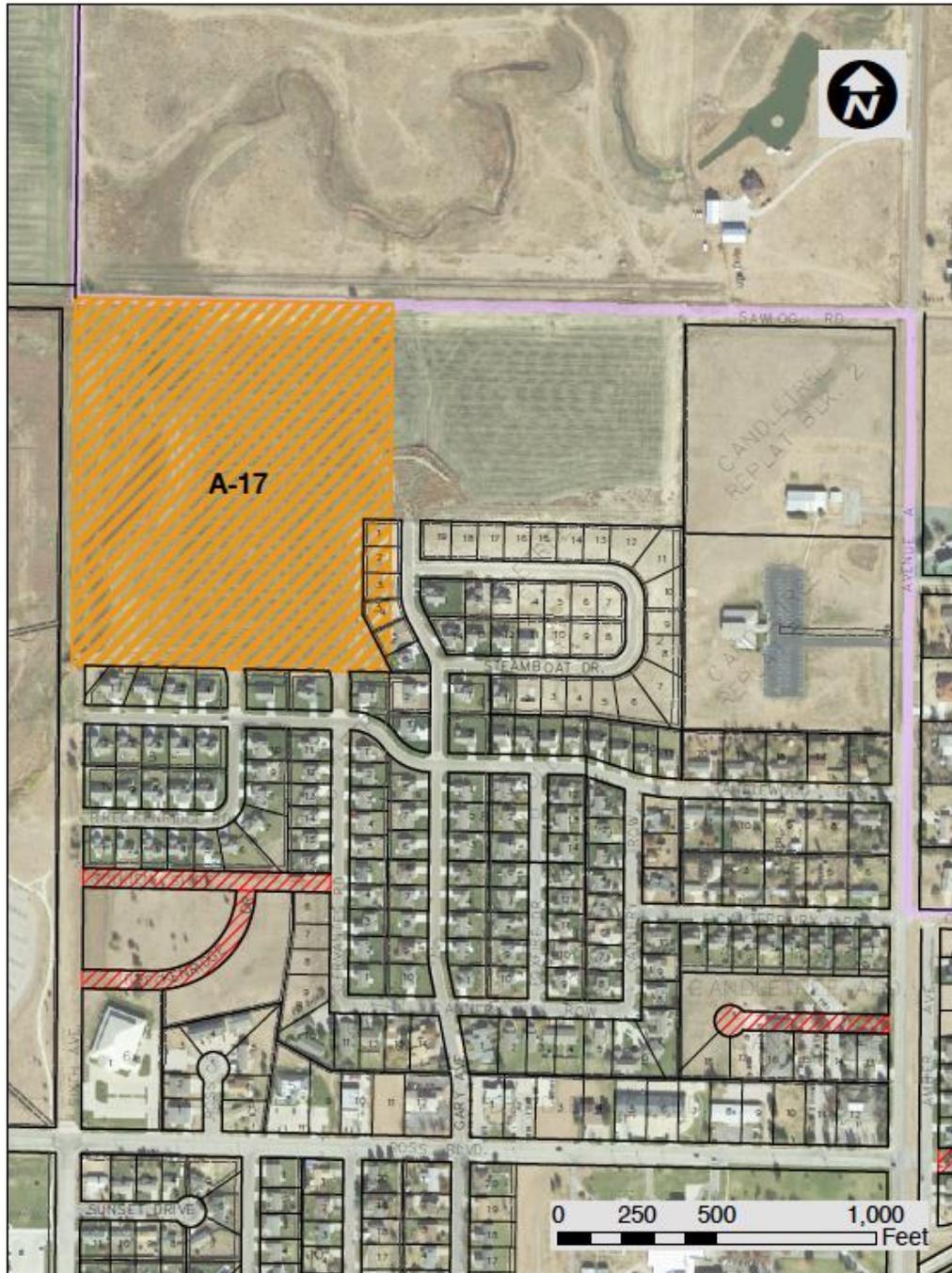
*EXHIBIT A*

**LEGAL DESCRIPTION OF PROPOSED  
RURAL HOUSING IMPROVEMENT DISTRICT BOUNDARIES  
FOR CANDLETREE 8 PHASE II PROJECT**

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 Block 4 and Lots 2, 3, 4, 5, 6, 7, 8 Block 5 Candletree Addition, Unit 8

**EXHIBIT B**

**MAP OF PROPOSED  
RURAL HOUSING IMPROVEMENT DISTRICT BOUNDARIES  
FOR CANDLETREE 8 PHASE II PROJECT**



*EXHIBIT C*

**NAMES AND ADDRESSES OF THE OWNERS OF RECORD OF ALL REAL  
ESTATE PARCELS WITHIN THE PROPOSED RURAL HOUSING INCENTIVE  
DISTRICT AND THE EXISTING ASSESSED VALUATION OF SAID  
REAL ESTATE PARCELS**

Owner of Record: Volz Builders, LLC  
11170 Kliesen  
Dodge City, KS 67801

2018 Assessed Valuation: Land: \$390.00  
Improvements: \$0 (vacant land)

## ***EXHIBIT D***

### **DESCRIPTION OF THE HOUSING AND PUBLIC FACILITIES PROJECT OR PROJECTS THAT ARE PROPOSED TO BE CONSTRUCTED OR IMPROVED IN THE PROPOSED RURAL HOUSING INCENTIVE DISTRICT**

#### ***Housing Facilities***

The housing facilities will be composed of twenty (20) single-family residences with a market value of not less than \$180,000 each. The housing facilities will be constructed in Phases. The proposed single-family units consist of three-bedroom homes with garages comparable to the area.

#### ***Public Facilities***

Public improvements will include the extension of water, sewer, gas, and electric distribution lines along the boundaries of the development. Public improvements will also include construction of infrastructure improvements located within the boundaries of the development, including water, sanitary sewer, storm sewer, storm water detention, streets and street lighting. The public improvements will be constructed as necessary to serve the Project as described above.

***EXHIBIT E***

**SUMMARY OF THE CONTRACTUAL ASSURANCES BY THE DEVELOPER  
AND OF THE COMPREHENSIVE FEASIBILITY ANALYSIS**

Contractual Assurances.

The Governing Body of the City of Dodge City will entered into a development agreement with Volz Builders, LLC. This agreement, as supplemented and amended, includes the project construction schedule, a description of projects to be constructed, financial obligations of the developer and financial and administrative support from the City of Dodge City.

Feasibility Study.

The City conducted a study to determine whether the public benefits derived from the District will exceed the costs and that the income from the District, together with other sources of revenue provided by the developer, would be sufficient to pay for the public improvements to be undertaken in the District. The analysis estimates the property tax revenues that will be generated from the development, less existing property taxes to determine the revenue stream available to support the costs of the public infrastructure. Currently the estimates indicate that the revenue realized from the project would be adequate to pay the costs of the public infrastructure.

**DEVELOPMENT PLAN**  
**VOLZ BUILDERS, LLC – CANDLETREE 8 PHASE II RURAL HOUSING INCENTIVE**  
**DISTRICT OF THE CITY OF DODGE CITY, KANSAS**

**January 22, 2019**

## INTRODUCTION

On April 4, 2016 the Governing Body of the City of Dodge City, Kansas (the “City”) adopted Resolution 2016-11 that found and determined that:

1. There is a shortage of quality housing of various price ranges in the City despite the best efforts of public and private housing developers.
2. The shortage of quality housing can be expected to persist and that additional financial incentives are necessary in order to encourage the private sector to construct or renovate housing in the City.
3. The shortage of quality housing is a substantial deterrent to the future economic growth and development of the City.
4. The future economic wellbeing of the City depends on the Governing Body providing additional incentives for the construction of/or renovation of quality housing in the City.

Based on these findings and determinations, the Governing Body proposed the establishment of a Rural Housing Incentive District within Dodge City pursuant to the Act.

Following the adoption of Resolution 2016-11, a certified copy of said Resolution was submitted to the Secretary of Commerce for approval of the establishment of the Rural Housing Incentive District in Dodge City, as required by K.S.A. 12-5244(c).

On May 10, 2016, the Secretary of Commerce provided written confirmation, approving the establishment of Volz Builders, LLC – Candletree 8 Rural Housing Incentive District (the “District”) (Resolution 2016-11, Exhibit A-17).

## DEVELOPMENT PLAN ADOPTION

K.S.A. 12-5245 states that once the City receives approval from the Secretary of Commerce for the development of a Kansas Rural Housing Incentive District, the governing body must adopt a plan for the development of housing and public facilities within the proposed district.

## DEVELOPMENT PLAN

As a result of the shortage of quality housing within Dodge City, the City proposes this Development Plan to assist in the development of quality housing within the City.

1. The legal description of the Volz Builders, LLC – Candletree 8 Phase II Rural Housing Incentive District is:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 Block 4 and Lots 2, 3, 4, 5, 6, 7, 8 Block 5 Candletree Addition, Unit 8

A map of the District is attached as **Exhibit A** to this document.

2. The assessed valuation of all real estate within the District for 2018 is \$390.00. There are no existing structures on the real estate within the District.

3. The name and address of the owner of record for the real estate within the District is:

Volz Builders, LLC  
11170 Kliesen  
Dodge City, KS 67801

4. The housing and public facilities projects that are proposed to be constructed include the following:

#### **Housing Facilities**

The housing facilities will be composed of twenty (20) single-family residences with an assessed evaluation of not less than One Hundred Eighty Thousand Dollars (\$180,000.00) each. The proposed single-family units consist of three bedroom homes with garages comparable to the area.

#### **Public Facilities**

Public improvements include the extension of water and sewer by the City of Dodge City, gas distribution lines by Black Hills Energy and electric distribution lines to the boundaries of the District by Victory Electric. These improvements will be constructed concurrently with the project.

Public improvements will also include construction of infrastructure improvements located within the boundaries of the District, including electric, gas, water, sanitary sewer, storm sewer, storm water detention, streets, street lighting, fire services and sidewalks. Infrastructure improvements will be constructed concurrently with the project

5. The names, addresses and specific interests in the real estate in the District of the developers responsible for development of the housing and public facilities is:

Owner of Real Property: Volz Builders, LLC  
11170 Kliesen  
Dodge City, KS 67801

Developer: Volz Builders, LLC  
(Site Work and Infrastructure) 11170 Kliesen  
Dodge City, KS 67801

Individuals with Specific Interest: Volz Builders, LLC Members  
Timothy E. Volz  
11170 Kliesen  
Dodge City, KS 67801

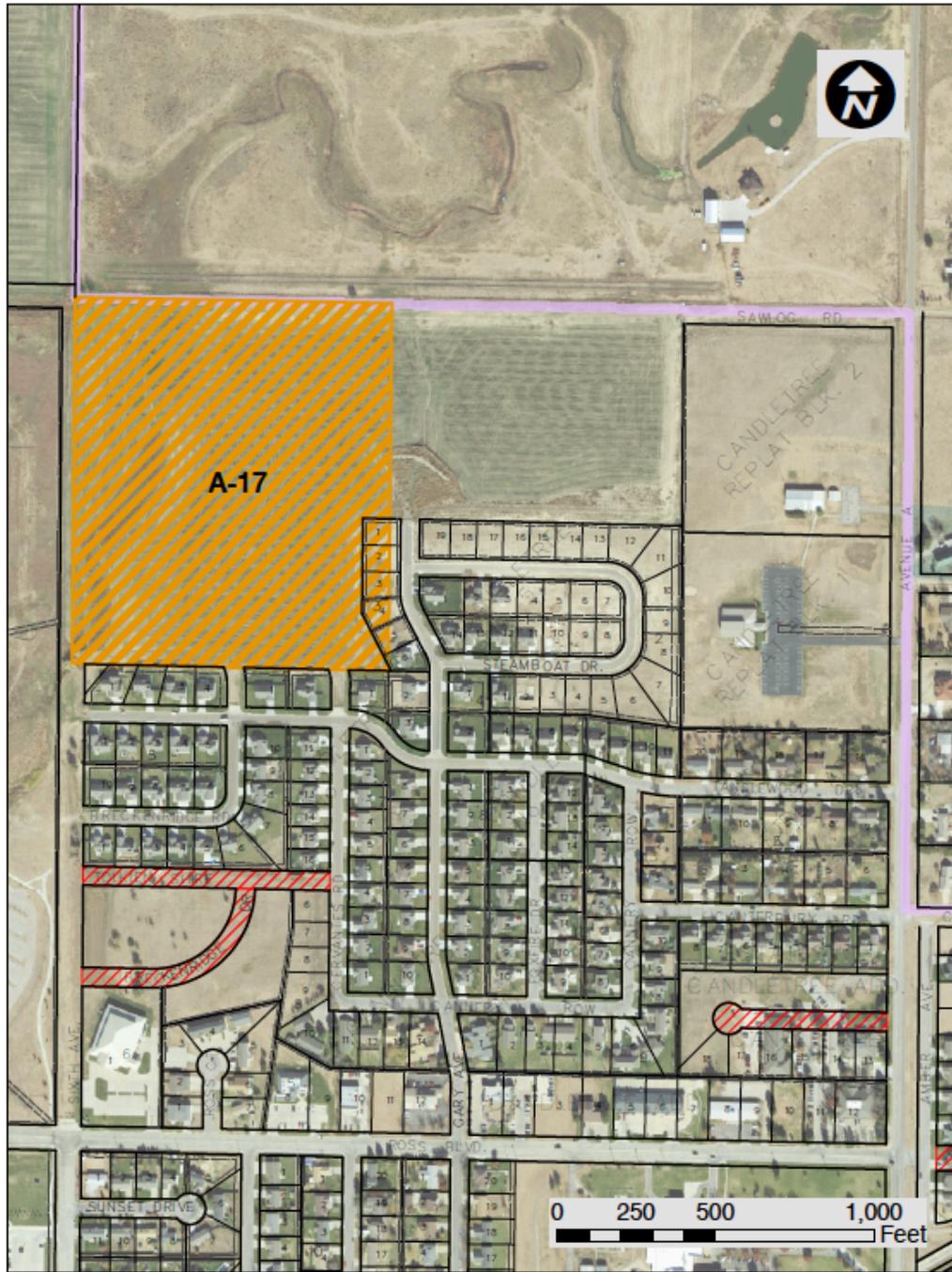
6. The Governing Body of the City entered into a Development Agreement with Volz Builders, LLC, a Kansas limited liability corporation, (the “Developer”) in January of 2019. The Development Agreement, as supplemented and amended, includes the project construction schedule, a description of projects to be constructed, financial obligations of

the Developer and financial and administrative support from the City. The complete Development Agreement is attached hereto as **Exhibit C**.

7. The City's Finance Director conducted a study to determine whether the public benefits derived from the District will exceed the costs and that the income from the District, together with other sources of revenue provided by the Developer, would be sufficient to pay for the public improvements to be undertaken in the District. A copy of the analysis is attached hereto as **Exhibit B**. The analysis estimates the property tax revenues that will be generated from the District, less existing property taxes, to determine the revenue stream available to support financing the public infrastructure. The revenue stream is compared to the estimated debt service of any bonds needed to finance the project. The estimated costs of the improvements and the costs of the financing is compared to the estimated revenue stream. The estimates indicate that the estimated revenue realized from the project would be adequate to pay the costs of the public infrastructure.

**DEVELOPMENT PLAN - EXHIBIT A**

**MAP OF THE VOLZ BUILDERS, LLC – CANDLETREE 8 PHASE II  
RURAL HOUSING IMPROVEMENT DISTRICT**



**DEVELOPMENT PLAN - EXHIBIT B**  
**COMPREHENSIVE FINANCIAL FEASIBILITY ANALYSIS**

**Candletree Addition, Unit 8**

Scenario: Build 20 Lots over 3 years

Cost of Infrastructure Improvements

550,000

Annual Payments assuming 4% for 15 years

49,500

742,500

Annual Payments assuming 4% for 13 years

55,080

716,040

Additional eligible costs -  
Total Costs for Life of RHID

Note: The 550,000 indicates infrastructure only (infrastructure, engineering and street lights, estimate as of 12/31/2018 is \$547,946.25. The bid from APAC was 446,094.38 for the infrastructure plus 70,725 engineering and 14,300 for street lights for a total of 531,119.38 Used the higher 550,000 for illustration purposes

|   | <u>Current Value</u> | <u>Property Class</u> | <u>Mill Levy</u> |        |
|---|----------------------|-----------------------|------------------|--------|
| Current Property Tax                        |                      |                       |                  |        |
| Land - Candletree Addition, Unit 8, Phase 2 | 10,000               | 30.00%                | 186.233          | 558.70 |

|   |         |               |                          |                             |                          |  |                         |                          |          |          |           |               |               |               |               |               | <u>Total for Life of Project</u> | <u>Accumulated for Life of Project Based on build out over 4 years</u> |            |  |  |  |
|---|---------|---------------|--------------------------|-----------------------------|--------------------------|--|-------------------------|--------------------------|----------|----------|-----------|---------------|---------------|---------------|---------------|---------------|----------------------------------|--|------------|--|--|--|
|   |         |               |                          |                             |                          |  |                         |                          |          |          |           | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> | <u>Year 4</u> | <u>Year 5</u> |                                  |  |            |  |  |  |
|   |         |               | <u>Est. Property Tax</u> | <u>Less State 1.5 Mills</u> | <u>Less USD 20 Mills</u> | <u>Property Tax Less mt Not Eligible</u> | <u>Annual Increment</u> | <u>Annual Cumulative</u> |          |          |           |               |               |               |               |               |                                  |  |            |  |  |  |
| At 100% increment going to pay off infrastructure costs |         |               |                          |                             |                          |  |                         |                          |          |          |           |               |               |               |               |               |                                  |  |            |  |  |  |
| Lot 1   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 2,851.27 | 2,851.27  | 2,851.27      |               |               |               |               |                                  | 37,066.56  |            |  |  |  |
| Lot 2   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 6,261.25  | 6,261.25      |               |               |               |               |                                  | 44,329.65  |            |  |  |  |
| Lot 3   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 9,671.22  | 9,671.22      |               |               |               |               |                                  | 44,329.65  |            |  |  |  |
| Lot 4   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 13,081.19 | 13,081.19     |               |               |               |               |                                  | 44,329.65  |            |  |  |  |
| Lot 5   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 16,491.17 | 16,491.17     |               |               |               |               |                                  | 44,329.65  |            |  |  |  |
| Lot 6   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 19,901.14 | 19,901.14     |               |               |               |               |                                  | 44,329.65  | 258,714.81 |  |  |  |
| Lot 7   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 23,311.11 |               | 23,311.11     |               |               |               |                                  | 40,919.68  |            |  |  |  |
| Lot 8   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 26,721.09 |               | 26,721.09     |               |               |               |                                  | 40,919.68  |            |  |  |  |
| Lot 9   | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 30,131.06 |               | 30,131.06     |               |               |               |                                  | 40,919.68  |            |  |  |  |
| Lot 10  | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 33,541.03 |               | 33,541.03     |               |               |               |                                  | 40,919.68  |            |  |  |  |
| Lot 11  | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 36,951.01 |               | 36,951.01     |               |               |               |                                  | 40,919.68  |            |  |  |  |
| Lot 12  | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 40,360.98 |               | 40,360.98     |               |               |               |                                  | 40,919.68  | 245,518.06 |  |  |  |
| Lot 13  | Block 4 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 43,770.95 |               |               | 43,770.95     |               |               |                                  | 37,509.70  |            |  |  |  |
| Lot 2   | Block 5 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 47,180.92 |               |               | 47,180.92     |               |               |                                  | 37,509.70  |            |  |  |  |
| Lot 3   | Block 5 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 50,590.90 |               |               | 50,590.90     |               |               |                                  | 37,509.70  |            |  |  |  |
| Lot 4   | Block 5 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 54,000.87 |               |               | 54,000.87     |               |               |                                  | 37,509.70  |            |  |  |  |
| Lot 5   | Block 5 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 57,410.84 |               |               | 57,410.84     |               |               |                                  | 37,509.70  |            |  |  |  |
| Lot 6   | Block 5 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 60,820.82 |               |               | 60,820.82     |               |               |                                  | 37,509.70  | 225,058.22 |  |  |  |
| Lot 7   | Block 5 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 64,230.79 |               |               | 64,230.79     |               |               |                                  | 34,099.73  |            |  |  |  |
| Lot 8   | Block 5 | Candletree #8 | 180,000                  | 11.50%                      | 186.233                  | 3,855.02                                 | 31.05                   | 414.00                   | 3,409.97 | 3,409.97 | 67,640.76 |               |               | 67,640.76     |               |               |                                  | 34,099.73  | 68,199.46  |  |  |  |
|   |         |               | 3,600,000                |                             |                          |  |                         | 8,280.00                 |          |          |           |               |               |               |               |               | 797,490.56                       | 797,490.56   |            |  |  |  |

Actual Valuations

|   |         |               | Estimated | Property | Mill    | Est.     | Less State | Less USD | Property      | Annual    | Annual     | Year 1 | Year 2   | Year 3    | Year 4    | Year 5 | Total for  | Accumulated         |           |
|---|---------|---------------|-----------|----------|---------|----------|------------|----------|---------------|-----------|------------|--------|----------|-----------|-----------|--------|------------|---------------------|-----------|
|   |         |               | Value     | Class    | Levy    | Property | 1.5 Mills  | 20 Mills | Tax Less      | Increment | Cumulative |        |          |           |           |        | Life of    | for Life of Project |           |
|   |         |               |           |          |         | Tax      |            |          | nt Not Eligit | Tax       |            |        |          |           |           |        | Project    | Based on build      |           |
|   |         |               |           |          |         |          |            |          |               |           |            |        |          |           |           |        |            | out over 4 years    |           |
| At 100% increment going to pay off infrastructure costs |         |               |           |          |         |          |            |          |               |           |            |        |          |           |           |        |            |                     |           |
| Lot 1   | Block 1 | Candletree #8 | 5,120     | 11.50%   | 191.462 | 112.73   | 0.88       | 11.78    | 100.07        | 100.07    | 100.07     | 100.07 |          |           |           |        |            | 1,300.96            |           |
| Lot 2   | Block 1 | Candletree #8 | 5,100     | 11.50%   | 191.462 | 112.29   | 0.88       | 11.73    | 99.68         | 99.68     | 199.76     | 199.76 |          |           |           |        |            | 1,295.88            |           |
| Lot 3   | Block 1 | Candletree #8 | 5,390     | 11.50%   | 191.462 | 118.68   | 0.93       | 12.40    | 105.35        | 105.35    | 305.11     | 305.11 |          |           |           |        |            | 1,369.56            |           |
| Lot 4   | Block 1 | Candletree #8 | 5,060     | 11.50%   | 191.462 | 111.41   | 0.87       | 11.64    | 98.90         | 98.90     | 404.01     | 404.01 |          |           |           |        |            | 1,285.71            |           |
| Lot 5   | Block 1 | Candletree #8 | 5,110     | 11.50%   | 191.462 | 112.51   | 0.88       | 11.75    | 99.88         | 99.88     | 503.89     | 503.89 |          |           |           |        |            | 1,298.42            |           |
| Lot 6   | Block 1 | Candletree #8 | 5,060     | 11.50%   | 191.462 | 111.41   | 0.87       | 11.64    | 98.90         | 98.90     | 602.79     | 602.79 |          |           |           |        |            | 1,285.71            |           |
| Lot 7   | Block 1 | Candletree #8 | 5,060     | 11.50%   | 191.462 | 111.41   | 0.87       | 11.64    | 98.90         | 98.90     | 701.69     | 701.69 |          |           |           |        |            | 1,285.71            |           |
| Lot 1   | Block 2 | Candletree #8 | 5,030     | 11.50%   | 191.462 | 110.75   | 0.87       | 11.57    | 98.31         | 98.31     | 800.00     | 800.00 |          |           |           |        |            | 1,278.09            |           |
| Lot 2   | Block 2 | Candletree #8 | 5,010     | 11.50%   | 191.462 | 110.31   | 0.86       | 11.52    | 97.92         | 97.92     | 897.93     | 897.93 |          |           |           |        |            | 1,273.01            | 11,673.04 |
| Lot 3   | Block 2 | Candletree #8 | 5,020     | 11.50%   | 191.462 | 110.53   | 0.87       | 11.55    | 98.12         | 98.12     | 996.05     |        | 996.05   |           |           |        |            | 1,177.43            |           |
| Lot 4   | Block 2 | Candletree #8 | 5,070     | 11.50%   | 191.462 | 111.63   | 0.87       | 11.66    | 99.10         | 99.10     | 1,095.14   |        | 1,095.14 |           |           |        |            | 1,189.16            |           |
| Lot 5   | Block 2 | Candletree #8 | 5,140     | 11.50%   | 191.462 | 113.17   | 0.89       | 11.82    | 100.46        | 100.46    | 1,195.61   |        | 1,195.61 |           |           |        |            | 1,205.57            |           |
| Lot 6   | Block 2 | Candletree #8 | 10,210    | 11.50%   | 191.462 | 224.81   | 1.76       | 23.48    | 199.56        | 199.56    | 1,395.17   |        | 1,395.17 |           |           |        |            | 2,394.73            |           |
| Lot 7   | Block 2 | Candletree #8 | 5,220     | 11.50%   | 191.462 | 114.93   | 0.90       | 12.01    | 102.03        | 102.03    | 1,497.20   |        | 1,497.20 |           |           |        |            | 1,224.34            |           |
| Lot 8   | Block 2 | Candletree #8 | 154,350   | 11.50%   | 191.462 | 3,398.50 | 26.63      | 355.01   | 3,016.87      | 3,016.87  | 4,514.06   |        | 4,514.06 |           |           |        |            | 36,202.42           |           |
| Lot 9   | Block 2 | Candletree #8 | 5,150     | 11.50%   | 191.462 | 113.39   | 0.89       | 11.85    | 100.66        | 100.66    | 4,614.72   |        | 4,614.72 |           |           |        |            | 1,207.92            |           |
| Lot 10  | Block 2 | Candletree #8 | 5,230     | 11.50%   | 191.462 | 115.15   | 0.90       | 12.03    | 102.22        | 102.22    | 4,716.95   |        | 4,716.95 |           |           |        |            | 1,226.68            |           |
| Lot 11  | Block 2 | Candletree #8 | 5,210     | 11.50%   | 191.462 | 114.71   | 0.90       | 11.98    | 101.83        | 101.83    | 4,818.78   |        | 4,818.78 |           |           |        |            | 1,221.99            |           |
| Lot 1   | Block 3 | Candletree #8 | 199,460   | 11.50%   | 191.462 | 4,391.74 | 34.41      | 458.76   | 3,898.57      | 3,898.57  | 8,717.35   |        | 8,717.35 |           |           |        |            | 46,782.86           | 93,833.10 |
| Lot 2   | Block 3 | Candletree #8 | 169,500   | 11.50%   | 191.462 | 3,732.07 | 29.24      | 389.85   | 3,312.98      | 3,312.98  | 12,030.34  |        |          | 12,030.34 |           |        |            | 36,442.83           |           |
| Lot 3   | Block 3 | Candletree #8 | 129,410   | 11.50%   | 191.462 | 2,849.37 | 22.32      | 297.64   | 2,529.40      | 2,529.40  | 14,559.74  |        |          |           | 14,559.74 |        |            | 27,823.40           |           |
| Lot 4   | Block 3 | Candletree #8 | 101,740   | 11.50%   | 191.462 | 2,240.12 | 17.55      | 234.00   | 1,988.57      | 1,988.57  | 16,548.31  |        |          |           | 16,548.31 |        |            | 21,874.30           |           |
| Lot 5   | Block 3 | Candletree #8 | 107,020   | 11.50%   | 191.462 | 2,356.38 | 18.46      | 246.15   | 2,091.77      | 2,091.77  | 18,640.08  |        |          |           | 18,640.08 |        |            | 23,009.51           |           |
| Lot 6   | Block 3 | Candletree #8 | 10,550    | 11.50%   | 191.462 | 232.29   | 1.82       | 24.27    | 206.21        | 206.21    | 18,846.29  |        |          |           | 18,846.29 |        |            | 2,268.27            |           |
| Lot 7   | Block 3 | Candletree #8 | 5,260     | 11.50%   | 191.462 | 115.82   | 0.91       | 12.10    | 102.81        | 102.81    | 18,949.10  |        |          |           | 18,949.10 |        |            | 1,130.91            |           |
| Lot 8   | Block 3 | Candletree #8 | 99,570    | 11.50%   | 191.462 | 2,192.35 | 17.18      | 229.01   | 1,946.16      | 1,946.16  | 20,895.26  |        |          |           | 20,895.26 |        |            | 21,407.74           |           |
| Lot 8   | Block 5 | Candletree #8 | 0         | 11.50%   | 191.462 | 0.00     | 0.00       | 0.00     | 0.00          | 0.00      | 20,895.26  |        |          |           | 20,895.26 |        |            | 0.00                |           |
| Lot 9   | Block 5 | Candletree #8 | 451       | 11.50%   | 191.462 | 9.93     | 0.08       | 1.04     | 8.82          | 8.82      | 20,904.07  |        |          |           | 20,904.07 |        |            | 96.97               |           |
|   |         |               | 1,069,501 |          |         |          |            | 2,459.85 |               |           |            |        |          |           |           |        | 239,560.06 | 105,506.14          |           |

Costs shown at 3 different levels - 960,000, 1,060,000 and 1,160,000

Highlights show at what level the costs will work paying the special assessments only. This will not include and additional eligible costs such as land.

**DEVELOPMENT PLAN - EXHIBIT C**

**DEVELOPMENT AGREEMENT**

## DEVELOPMENT AGREEMENT

**THIS DEVELOPMENT AGREEMENT** (the “Agreement”), entered into this 4<sup>th</sup> day of March, 2019, by and between the **CITY OF DODGE CITY, KANSAS**, a municipal corporation, (the “City”), and **VOLZ BUILDERS, LLC**, a Kansas limited liability corporation, with its principal place of business in Dodge City, Kansas (the “Developer”).

### RECITALS

- A. **WHEREAS**, the City and the Developer (the “Parties”) desire to memorialize their intent with respect to their obligations and responsibilities for the construction of single-family residential development to be known as “Candletree 8 Phase II” (the “Development”); and,
- B. **WHEREAS**, the Developer is the titled owner of real property located within the boundaries of the City and described in *Exhibit A*, attached hereto and incorporated herein by reference (the “Property”); and,
- C. **WHEREAS**, the Developer desires to develop the Property by construction of single-family residences and all related internal infrastructure improvements, all as more fully described herein; and,
- D. **WHEREAS**, the City has determined that the construction of the Development will foster the economic development of the City and the surrounding area of Ford County, Kansas; and,
- E. **WHEREAS**, the Parties hereto are authorized to enter into this Agreement and to complete the responsibilities set forth herein.

### AGREEMENT

**NOW THEREFORE**, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

### ARTICLE 1

#### DEFINITIONS

**1.1 Definitions.** As used in this Agreement, the following words and terms shall have the meaning set forth below:

“**Agreement**” means this Development Agreement, as the same may be from time to time modified, amended or supplemented in writing by the Parties hereto.

“**City**” means the City of Dodge City, Kansas.

“**Concept Site Plan**” means the site development plan prepared by a licensed professional engineer, or firm thereof, acceptable to the City, attached hereto as *Exhibit C* and incorporated herein by reference, depicting the conceptual program for construction of the Development Project and the Public Improvements.

“**Construction Plans**” means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections.

“**Developer**” means Volz Builders, LLC, a Kansas limited liability corporation, with its principal place of business in Dodge City, Kansas, or its permitted successors or assigns in interest.

“**Development Area**” means the collective areas described in *Exhibit B* attached hereto and incorporated herein by this reference.

“**Development Project**” means construction of not less than thirty (30) quality residences in the Development Area in accordance with the Concept Site Plan.

“**External Infrastructure Improvements**” means the extension of sanitary sewer from an existing sewer located adjacent to the Iron Rd. Right-of-Way (R/W) to the Development Area and the extension of the City water from the present location to the Development Area.

“**Governing Body**” means the City Commission of Dodge City, Kansas.

“**Internal Infrastructure Improvements**” means the water, sanitary sewer, electric, storm sewer, storm water detention, street, street lighting, sidewalks and all other public infrastructure improvements necessary for the Development and located within the boundaries of the Development Area, including engineering costs, any costs of right-of-way and appurtenances related thereto, as set forth on the approved plat for the Development, all as more specifically described on *Exhibit D* attached hereto and incorporated herein by this reference.

“**Material Change**” shall mean any change in the Concept Site Plan that significantly affects the nature of the Public Improvements, the number of Units, or increases/decreases the cost of the Development Project by Twenty-Five Thousand Dollars (\$25,000.00) or more for each change.

“**Mayor**” means the Mayor of Dodge City, Kansas or his/her duly authorized agent.

**“Plans and Specifications”** means the plans and specifications for the Public Improvements prepared by a licensed professional engineer, or firm thereof, acceptable to the City.

**“Project Costs”** means all costs associated with the completion of the Public Improvements, and all associated legal, engineering and other soft costs, all as described on the cost estimates set forth on *Exhibit D* attached hereto and incorporated herein by this reference.

**“Property”** means the real property (including but not limited to fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) on which the Development Project will be located, more specifically described in *Exhibit A* attached hereto and incorporated herein by this reference.

**“Public Improvements”** means the External and Internal Infrastructure Improvements.

**“Related Party”** means any party related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended and any successor entity in which the principals of the Developer (either individually or collectively) or Developer own or control no less than fifty percent (50%) of the voting interest in such successor entity.

**“Rural Housing Incentive District”** means a rural housing incentive district to be created by the City for the Development Project pursuant to the Kansas Rural Housing Incentive District Act.

**“Substantial Completion”** means the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Construction Plans, excepting all punch list items so that the Developer can occupy or utilize the Work for its intended purpose.

**“Unit”** means each individual single-family residence in the development.

**“Work”** means all work necessary to prepare the Property and to construct the Development Project and the Public Improvements, including; (1) demolition and removal of certain existing improvements located on the Property; (2) construction, reconstruction and/or relocation of utilities; (3) construction of not less than thirty (30) single-family residential structures, including surface parking facilities, and screening and site landscaping on the Property, as described in the Concept Site Plan; and (4) all other Work described in the Concept Site Plan, or reasonably necessary to effectuate the intent of this Agreement.

## ARTICLE II

### RURAL HOUSING INCENTIVE DISTRICT

- 2.1 Preliminary Resolution.** The Governing Body has heretofore adopted Resolution No. 2016-11 (the “Resolution”) on April 4, 2016, which made certain findings pursuant to the Rural Housing Incentive District Act, relative to the need for housing in the City and declaring an intent to establish Rural Housing Incentive Districts within the City, which would include the Property.
- 2.2 Department of Commerce Finding.** Pursuant to the Resolution, the City caused to be prepared a Housing Needs Analysis and forwarded the same, along with the Resolution, to the Kansas Secretary of Commerce. On May 10, 2016, the Kansas Secretary of Commerce issued a letter to the City making certain findings required by the Rural Housing Incentive District Act, and approved the City’s ability to establish a Rural Housing Incentive District.
- 2.3 Further Proceedings Regarding Special Assessments.** Developer has petitioned the City for special assessment financing for infrastructure improvements as reflected in *Exhibit D*. Said special assessment charges will be eligible costs to be paid by Rural Housing Incentive District incremental proceeds.
- 2.4 Further Proceedings Regarding the Rural Housing Incentive District Act.** The City has caused to be prepared a Development Plan in accordance with the provisions of the Rural Housing Incentive District Act, adopted a resolution calling a public hearing relative to such Development Plan, conducted a public hearing, and will pass an Ordinance approving the Development Plan, this Agreement, establish a Rural Housing Incentive District that includes the Property and adopt a Resolution establishing a benefit district for the financing of certain internal improvements within the Property. The Rural Housing Incentive District will be deemed to be established at the time said Ordinance is passed by the Governing Body. The Parties acknowledge that the creation of the Rural Housing Incentive District is subject to nullification in the manner set forth in K.S.A. 12-5246.

## ARTICLE III

### CONSTRUCTION OF THE PROJECT AND INTERNAL INFRASTRUCTURE IMPROVEMENTS

- 3.1 Development Project Construction Schedule.** The Developer shall commence construction of the Development Project and Public Improvements within the Development Area, not more than sixty (60) days after the Rural Housing Incentive District ordinance is passed by the Governing Body. The Developer will diligently pursue Substantial Completion of the Development Project.

- a Modifications to the Development Project. The Parties acknowledge that due to economic conditions the scope of the Development Project and the amount of real estate included within any Development Area may be modified prior to and/or during the construction of such Development Project. Developer shall notify the City at least thirty (30) days in advance of any proposed Material Change of the Development Project or Development Area, as well as the factual basis necessitating the proposed Material Change.
- b The Developer will review and approve all plans. The Developer will approve the placement of all infrastructure. It will be the responsibility of the developer to pay for any changes in the plans after they have been approved or alteration in construction after completion.

**3.2 Construction of the Development Project.** The Developer shall construct the Development Project in a good and workmanlike manner in accordance with the terms of this Agreement and as set forth in the Construction Plans, on file at City Hall.

**3.3 Concept Site Plan.** The Developer, in coordination with the City and at the cost of the City, has had prepared a Concept Site Plan and the same is hereby approved by the Parties. Either party shall promptly notify the other in writing of any proposed Material Changes to the Concept Site Plan at least thirty (30) days prior to the implementation of any such Material Change, including a description of the Material Change and reasons therefore. During the progress of the Work, the Developer may make changes to the Concept Site Plan or any aspect thereof as site conditions or other issues of feasibility may dictate or as may be necessary or desirable in the sole determination of the Developer to enhance the economic viability of the Development Project provided, however, that the Developer may not make any Material Changes to the Public Improvements or reduce the number of Units on the Concept Site Plan without the advance written consent of the City.

**3.4 Construction Public Improvements.** The Developer and the City shall be financially responsible for the Public Improvements as delineated on *Exhibit D*. The Developer shall allow the City to contract with and direct the work of an agreed upon contractor to construct portions of the Public Improvements. The Developer and the City shall assure that their respective Public Improvements are completed in a good and workmanlike manner in accordance with the Plans and Specifications approved by the City consistent with the construction of the Development Project so that the Substantial Completion of the Public Improvements associated with the Development Project shall be completed on or before Substantial Completion of the Development Project.

- a **Acquisition of Easements, Permits.** The Developer is responsible for securing any rights-of-way and/or easement rights from private parties necessary to improve or build the External or Internal Infrastructure Improvements and the City will cooperate with the Developer with respect to any such acquisition. All

costs associated with the acquisition of rights-of-way and/or easements shall be considered a Project Cost. The City shall cooperate with the Developer in obtaining all necessary permits for construction of the Internal Infrastructure Improvements.

- b **Construction Contracts; Insurance.** Each party may enter into one or more construction contracts to complete the Work for the Public Improvements. Prior to the commencement of construction of the Public Improvements, each Party shall obtain or shall require that any such contractor obtains workers' compensation, comprehensive public liability and builder's risk insurance coverage as provided in **Section 5.8** hereof and shall deliver evidence of such insurance to the City. Each Party shall require that the insurance required is maintained by any such contractor for the duration of the construction of the Public Improvements or part thereof, if such contract relates to less than all of the Internal Infrastructure Improvements. If the Developer serves as general contractor for the Internal Infrastructure Improvements, the Developer shall not charge more for such services than a third-party contractor would customarily charge for such services.
  
- c **Certification of Substantial Completion.** Promptly after Substantial Completion of the Work with respect to the Public Improvements, or a phase thereof, in accordance with the provisions of this Agreement, the Developer will furnish to the City a Certificate of Substantial Completion in the form attached hereto as **Exhibit E**. The City shall, within thirty (30) days following delivery of each Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify reasonable satisfaction with, and the accuracy of, the certifications contained in each Certificate of Substantial Completion. Each Certificate of Substantial Completion shall be deemed accepted by the City unless, prior to the end of such thirty (30) day period after delivery to the City of each Certificate of Substantial Completion, the City furnishes to the Developer with specific written objections to the status of the Work, describing such objections and the measures required to correct such objections in reasonable detail. At Substantial Completion of the Public Improvements, the Developer will dedicate to the City, and the City will accept, title to the Internal Infrastructure Improvements designated on **Exhibit D**. Following said dedication, the City will be responsible, at its sole cost and expense, for all operating and capital costs for the dedicated Internal Infrastructure Improvements from that date forward, and shall maintain the dedicated Internal Infrastructure Improvements in a manner consistent with similar public improvements in the City. Notwithstanding the foregoing, the Developer may, at its sole discretion and expense, enhance the maintenance or operation of the Internal Infrastructure Improvements for the betterment of the Development Project.

#### ARTICLE IV

#### FINANCING OBLIGATIONS

**4.1 Financing of Public Improvements.** The costs of the Public Improvements shall be allocated between the Developer and the City as set out in *Exhibit D*. The City agrees to finance a portion of the Developer's share of the Internal Infrastructure costs through the issuance of general obligation special assessment bonds (the "Bonds") as indicated on *Exhibit D* and as authorized by Resolution 2019-01. The City shall deposit the amounts received by the City, pursuant to K.S.A. 12-5250(b)(2)(A) (the "Increment") in a special assessment bond obligation account (the "Assessment Account"). Funds from said Assessment Account shall be used to pay all or a portion of the principle and interest on the Bonds and to reimburse the Developer for all or a portion of other eligible costs of Internal Infrastructure Improvements not covered by the Bonds.

- a Funds from the Assessment Account shall be accrued and disbursed in accordance with the following guidelines and in the time and manner following:
  - i The Developer shall be responsible for and shall upon request reimburse the City for any and all funds advanced by the City from accounts other than the Assessment Account and applied to payment of principle and interest on said Bonds. Said reimbursement if requested shall be made by the Developer within thirty (30) days of receipt from the City of written request for payment accompanied by documentation of such advance payments;
  - ii The City shall apply the Increment payments received (1) to reimbursement to the City of any non-reimbursed advanced Bond payments; (2) to a Bond payment reserve in an amount equal to two annual Bond payments; (3) to annual Bond payments currently due; and (4) to reimbursement to the Developer for payments made by the Developer pursuant to paragraph (1) above to reimburse the City for advance payments made by the City, and/or to reimburse the Developer for other eligible Internal Infrastructure Improvement costs incurred by the Developer and not paid from the Bond proceeds.
  - iii Once all Bond obligations have been fully paid and all reimbursable costs to the Developer have been fully satisfied and the Project completed the Assessment Account shall be closed and all future Increments shall be disbursed pursuant to the provisions of K.S.A. 12-5250(b)(2)(B).
- b Payments due to the Developer, if any, shall be made within thirty (30) days following the annual Bond Payment by the City beginning in 2019 and continuing until such time as the General Obligation Bonds and eligible Developer Financed Project Costs in accordance with *Exhibit D* have been fully reimbursed to the Developer, but not to exceed fifteen (15) years from the date of the establishment of the Rural Housing Incentive District. City shall have no liability and/or responsibility to the Developer for any payment greater than the amounts received from the Ford County Treasurer as mandated in K.S.A. 12-5250(b)(2)(A). The

Developer shall be responsible for any bond payment or portion thereof not covered by the payment made from the Assessment Account.

## **ARTICLE V**

### **GENERAL PROVISIONS**

**5.1 City's Right to Terminate.** In addition to all other rights of termination as provided herein, the City may terminate this Agreement at any time if the Developer defaults in or breaches any material provision of this Agreement and fails to cure such default or breach within thirty (30) days after receipt of written notice from the City of such default or breach.

**5.2 Developer's Right to Terminate.** In addition to all other rights of termination as provided herein, the Developer may terminate this Agreement at any time if the City defaults in or breaches any material provision of this Agreement (including any City default under Article IV hereof) and fails to cure such default or breach with thirty (30) days after receipt of written notice from the Developer of such default or breach.

**5.3 Successors and Assigns.**

- a This Agreement shall be binding on and shall inure to the benefit of the Parties named herein and their respective heirs, administrators, executors, personal representatives, agents, successors and assigns.
- b Without limiting the generality of the foregoing, all or any part of the Property or any interest therein may be sold, transferred, encumbered, leased, or otherwise disposed of at any time, and the rights of the Developer named herein or any successors in interest under this Agreement or any part hereof may be assigned at any time before, during or after completion of the Development Project, whereupon the Party disposing of its interest in the Property or assigning its interest under this Agreement shall be thereafter released from further obligation under this Agreement (although prior to Substantial Completion of the Improvements to such Property so disposed of or to which such interest pertains shall remain subject to the terms and conditions of this Agreement); provided, however, that the buyer, transferee or assignee shall be financially solvent as demonstrated to the City.
- c Until Substantial Completion of the Development Project has occurred, the obligations of the Developer under this Agreement may not be assigned in whole or in part without the prior written approval of the City, which approval shall not be unreasonably withheld, conditioned, or delayed upon a reasonable demonstration by the Developer of the proposed assignee's experience and financial capability to undertake and complete all portions of the Work with respect to the Development Project, all in accordance with this Agreement. Notwithstanding the foregoing, the Developer may be permitted to subcontract

the construction of any portion of the Development Project except for Public Improvements without the consent of City as long as the Developer remains liable therefore hereunder. Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with, (a) the right of the Developer to encumber or collaterally assign its interest in the Property or any portion thereof or any interest in this Agreement to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Development Project Costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment; (b) the right of the Developer to assign the Developer's rights, duties and obligations under this Agreement to a Related Party; or (c) the right of the Developer to sell or lease individual portions of the Property in the ordinary course of the development of the Development Project; provided that in each such event the Developer named herein shall remain liable hereunder for the Substantial Completion of the Development Project, and shall be released from such liability hereunder only upon Substantial Completion of the Development Project.

**5.4 Remedies.** Except as otherwise provided in this Agreement and subject to the Developer's and the City's respective rights of termination, in the event of any breach of any term or condition of this Agreement by either Party, or any successor, the breaching Party (or successor) shall, upon written notice from the other Party specifying such claimed breach, proceed immediately to cure or remedy such breach, and, shall, in any event, within thirty (30) days after receipt of notice, cure or remedy such default. If the breach shall not be cured or remedied, the aggrieved Party may hold the breaching Party in default of this Agreement and thereupon may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to proceedings to compel specific performance by the defaulting or breaching Party, withholding funds received pursuant to K.S.A. 12-5250(b)(2)(A) and/or repeal of the ordinance establishing the Rural Housing Incentive District. For purposes of this Section, no Party may be deemed in default of this Agreement unless and until it has received notice of any claimed breach and has been given an opportunity to cure the same. Prior to instituting any legal proceedings after an event of default has been noticed and no cure has occurred, the Parties agree to attempt to resolve the dispute through non-binding mediation. In the event such mediation is not successfully completed within forty-five (45) days following the expiration of any period for cure, the aggrieved Party may then immediately institute legal proceedings against the breaching Party.

**5.5 Force Majeure.** Neither the City nor the Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended in the event of any delay caused by force majeure, including, without limitation, damage or destruction by fire or casualty; strike; lockout; civil disorder; act of terror; war; restrictive government regulations; lack of issuance of any permits and/or legal

authorization by any governmental entity necessary for the Developer to proceed with construction of the Work or any portion thereof, shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or soil conditions; unforeseen site conditions that render the site economically or physically undevelopable (as a result of additional cost or delay), or any other cause or contingency similarly; or other causes beyond the Parties' reasonable control, including but not limited to, any litigation, court order or judgment resulting from any litigation affecting the validity of this Agreement; provided that such event of force majeure shall not be deemed to exist as to any matter initiated or unreasonably sustained by the Developer, and further provided that the Developer notifies the City in writing within thirty (30) days of the commencement of such claimed event of force majeure.

**5.6 Notices.** Any notice, demand or other communication required by this Agreement to be given by either Party hereto to the other shall be in writing and shall be sufficiently given or delivered if dispatched by certified United States first-class mail, postage prepaid, or delivered personally,

a In the case of the Developer, to:

Volz Builders, LLC  
11170 Kliesen  
Dodge City, KS 67801  
Attention: Tim Volz  
Phone: (620) 225-3127

b In the case of the City, to:

City of Dodge City, Kansas  
806 N. Second Avenue  
Dodge City, KS 67801  
Attention: City Clerk  
Phone: (620) 225-8100  
Fax: (620) 225-8144

or to such other address with respect to either Party as that Party may, from time to time, designate in writing and forward to the other as provided in this section.

**5.7 Conflict of Interest.** No member of the Governing Body or any branch of the City's government who has any power of review or approval of any of the Developer's undertakings, or of the City's contracting for goods or services for the Development, shall participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Governing Body the nature of such interest and seek a determination by the Governing Body with

respect to such interest and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed. The City represents to the Developer that no such conflicts of interest exist as of the date hereof.

### **5.8 Insurance; Damage or Destruction of Development Projects.**

- a The Developer will cause there to be insurance coverage as hereinafter set forth at all times during the process of constructing the Work and, from time to time at the request of the City, shall furnish the City with proof of payment of premiums on:
  - i Builder's Risk insurance, written on the so called "Builder's Risk—Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Work at the date of completion, and with coverage available in non-reporting form on the so called "all risk" form of policy. The interest, if any, of the City shall be protected in accordance with a clause in form and content satisfactory to the City; and,
  - ii Comprehensive general liability insurance (including operations, operations of subcontractors, completed operations and contractual liability insurance) together with an owner's contractor's policy, with limits against bodily injury and property damage of not less than Five Million Dollars (\$5,000,000.00) for all claims arising out of a single accident or occurrence and Two Million Dollars (\$2,000,000.00) for any one person in a single accident or occurrence (to accomplish the above required limits, an umbrella excess liability policy may be used); and
  - iii Workers compensation insurance, with statutorily required coverage.
- b The policies of insurance required pursuant to clauses (i) and (ii) above shall be in form and content reasonably satisfactory to the City and shall be placed with financially sound and reputable insurers licensed to transact business in the State of Kansas with a general policy holder's rating of not less than A- and a financial rating of A- as rated in the most current available "Best's" insurance reports. The policy of insurance delivered pursuant to clause (i) above shall contain an agreement of the insurer to give not less than thirty (30) days advance written notice to the City in the event of cancellation of such policy or change affecting the coverage thereunder. All policies of insurance required pursuant to this Section shall name City as an additional insured. The Developer shall deliver to the City evidence of all insurance to be maintained hereunder.

**5.9 Inspection.** The Developer shall allow authorized representatives of the City access to the Work site from time to time upon reasonable advance notice, which notice is in accordance with its normal practices with respect to inspection of construction projects in the City, prior to the completion of the Work for reasonable inspection thereof. The Developer shall also allow the City and its employees, agents and representatives to inspect, upon request, all architectural, engineering, demolition,

construction and other contracts and documents pertaining to the construction of the Work as the City determines is reasonable and necessary to verify the Developer's compliance with the terms of this Agreement.

**5.10 Choice of Law.** This Agreement shall be deemed to have been fully executed, made by the Parties in, and governed by the laws of State of Kansas for all purposes and intents.

**5.11 Entire Agreement: Amendment.** The Parties agree that this Agreement and the Development Plan constitute the entire agreement between the Parties and that no other agreements or representations other than those contained in this Agreement have been made by the Parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the Parties.

**5.12 Counterparts.** This Agreement is executed in multiple counterparts, each of which shall constitute one and the same instruments.

**5.13 Severability.** If any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

**5.14 Representatives Not Personally Liable.** No elected or appointed official, agent, employee or representative of the City shall be personally liable to the Developer in the event of any default or breach by any Party under this Agreement, or for any amount which may become due to any Party or on any obligations under the terms of this Agreement.

**5.15 Legal Actions.** If a third party brings an action against the City, or any officials, agents, employees or representatives thereof contesting the validity or legality of any of the terms of this Agreement, or the ordinance approving this Agreement, the Developer may, at the Developer's option but only with the City's consent, assume the defense of such claim or action (including, without limitation, to settle or compromise any claim or action for which the Developer has assumed the defense) with counsel of the Developer's choosing. The Parties expressly agree that so long as no conflicts of interest exist between them, the same attorney or attorneys may simultaneously represent the City and the Developer in any such proceeding; provided, the Developer and its counsel shall consult with the City throughout the course of any such action and Developer shall pay all reasonable and necessary costs incurred by City in connection with such action. If such defense is assumed by Developer, all costs of any such action incurred by City shall be promptly paid by Developer. If City refuses to permit Developer to assume the defense of any action, then costs incurred by City shall be paid by City.

**5.16 Release and Indemnification.** The indemnifications and covenants contained in this Section shall survive termination or expiration of this Agreement and shall be specifically subject to the limitation of *subsection 5.16(g)* of this Agreement.

- a Notwithstanding anything herein to the contrary, City and its Governing Body members, officers, agents, servants, employees and independent contractors shall not be liable to the Developer for damages or otherwise in the event that any ordinance, order or resolution adopted in connection with this Agreement is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either City is prevented from performing any of the covenants and agreements herein or Developer is prevented from enjoying the rights and privileges hereof.
- b The Developer releases from, agrees to indemnify and hold harmless the City, its Governing Body members, officers, agents, servants and employees against, and covenants and agrees that the City and its Governing Body members, officers, agents, servants, employees and independent contractors shall not be liable for, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the acquisition of the Property or construction of the Work including any and all claims arising from the acquisition of the Property, including, but not limited to, location of hazardous wastes, hazardous materials or other environmental contaminants on the Property, including all costs of defense, including attorney fees, except for those matters arising out of the willful and/or wanton negligence of the City and its Governing Body members, officers, agents, servants and employees.
- c The City and its Governing Body members, officers, agents, servants and employees shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, servants or employees or any other person who may be about the Property or the Work except for matters arising out of the willful and/or wanton negligence of the City and its Governing Body members, officers, agents, servants and employees.
- d All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its Governing Body members, officers, agents, servants or employees in their individual capacities.
- e No official, employee or representative of the City shall be personally liable to the Developer in the event of a default or breach by any Party to this Agreement.
- f The Developer releases from and covenants and agrees that the City, its Governing Body members, officers, employees, agents and independent contractors shall not be liable for, and agrees to indemnify and hold the City, its Governing Body members, officers, employees, agents and independent

contractors, harmless from and against any and all suits, interest, claims and cost of attorney fees incurred by any of them, resulting from, arising out of, or in any way connected with: (1) the Development Project or its approval, (2) the construction of the Work, (3) the negligence or willful misconduct of the Developer, its employees, agents or independent contractors in connection with the management, development, and construction of the Work, (4) the compliance by the Developer with all applicable state, federal and local environmental laws, regulations, ordinances and orders, (5) underground storage tanks located on or about the Property, (6) friable asbestos or asbestos-containing materials at, on or in the Property, (7) the operation of all or any part of the Property, or the condition of the Property, including, without limitation, any environmental cost or liability, or (8) negotiations, inspections, acquisitions, preparations, construction, leasing, operations, and other activities of the Developer or its agents in connection with or relating to the Development Project or the Property; except that the foregoing release and indemnification shall not apply in the case of such liability arising directly out of the willful and/or wanton negligence of the City or its authorized Governing Body members, officers, employees and agents or which arises out of matters undertaken by the City following termination of this Agreement as the Development Project or portion thereof.

- g Notwithstanding anything to the contrary in this Agreement, including but not limited to the provisions related to indemnification and release set out in this Section, the Developer shall have no obligation to indemnify the City, or any other Party referenced in this Agreement, unless the claim for which indemnity is sought is actually covered by the insurance required by *Section 5.8* of this Agreement and the Developer shall hereby be released for any and all claims otherwise referenced in this Section that are not actually covered by the insurance policies required by *Section 5.8* of this Agreement.

**5.17 Cost of the Legal Fees.** Upon execution of this Agreement Developer shall reimburse the City for all legal and professional costs, fees and expenses incurred by the City with regard to the preparation of this Agreement and any and all other Ordinances, Resolutions or other documents necessary for implementation of the Rural Health Incentive District as well as for representation and appearances of legal counsel at any hearings or proceedings required to implement the Rural Housing Incentive District or the Project. All such reimbursement paid by the Developers shall be considered Project Costs.

**5.18 Survival.** Notwithstanding the expiration, termination or breach of this Agreement by either Party, the agreements contained in Section 5.16 of this Agreement shall, except as otherwise expressly set forth herein, survive such expiration, termination or breach of this Agreement by the Parties hereto.

## ARTICLE VI

## **REPRESENTATIONS OF THE PARTIES**

**6.1 Representations of City.** The City hereby represents and warrants that to the best of its collective knowledge and belief it has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be, duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

**6.2 Representations of Developer.** The Developer hereby represents and warrants it has full corporate power to execute and deliver and perform the terms and obligations of this Agreement and all of the foregoing has been duly and validly authorized by all necessary corporate proceedings. This Agreement constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms.

**IN WITNESS WHEREOF**, the City and the Developer have caused this Agreement to be executed in their respective names and the City has caused its seal to be affixed thereto, and attested as to the date first above written.

**CITY OF DODGE CITY, KANSAS**

By: \_\_\_\_\_  
Brian Delzeit, Mayor

Dated: March 4, 2019

**ATTEST: (SEAL)**

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

**VOLZ BUILDERS, LLC**

By: \_\_\_\_\_  
Tim Volz

Dated: March 4, 2019

**SCHEDULE OF EXHIBITS  
OF THE DEVELOPMENT AGREEMENT**

- Exhibit A      Property Description
- Exhibit B      Map of Rural Housing Improvement District Boundaries for Candletree 8 Phase II  
Development Project
- Exhibit C      Candletree 8 Phase II Site Development Plan
- Exhibit D      Eligible Costs for Candletree 8 Phase II Development Project
- Exhibit E      Certification of Substantial Completion Form

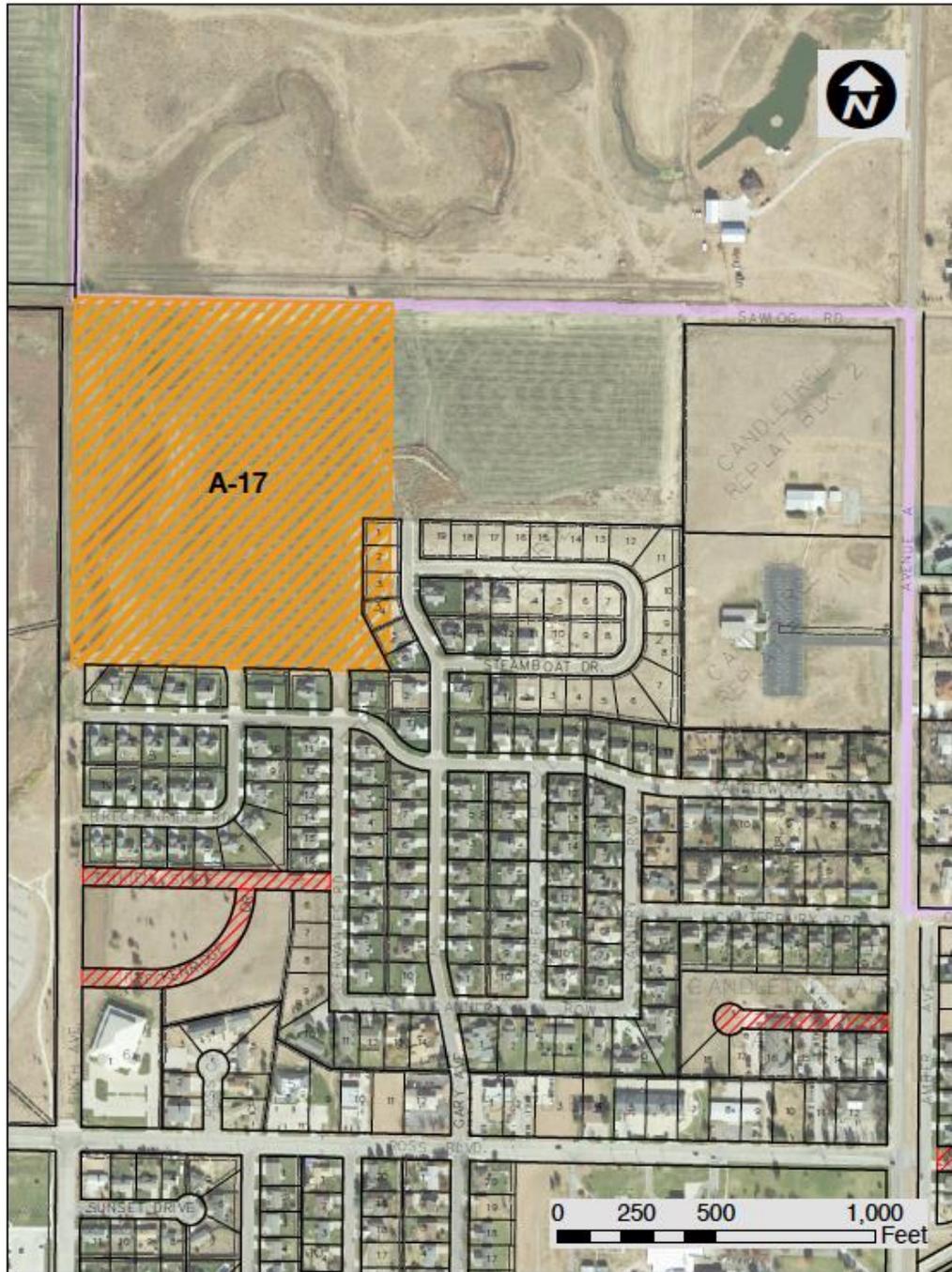
**EXHIBIT A**

**PROPERTY DESCRIPTION**

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 Block 4 and Lots 2, 3, 4, 5, 6, 7, 8 Block 5 Candletree Addition, Unit 8

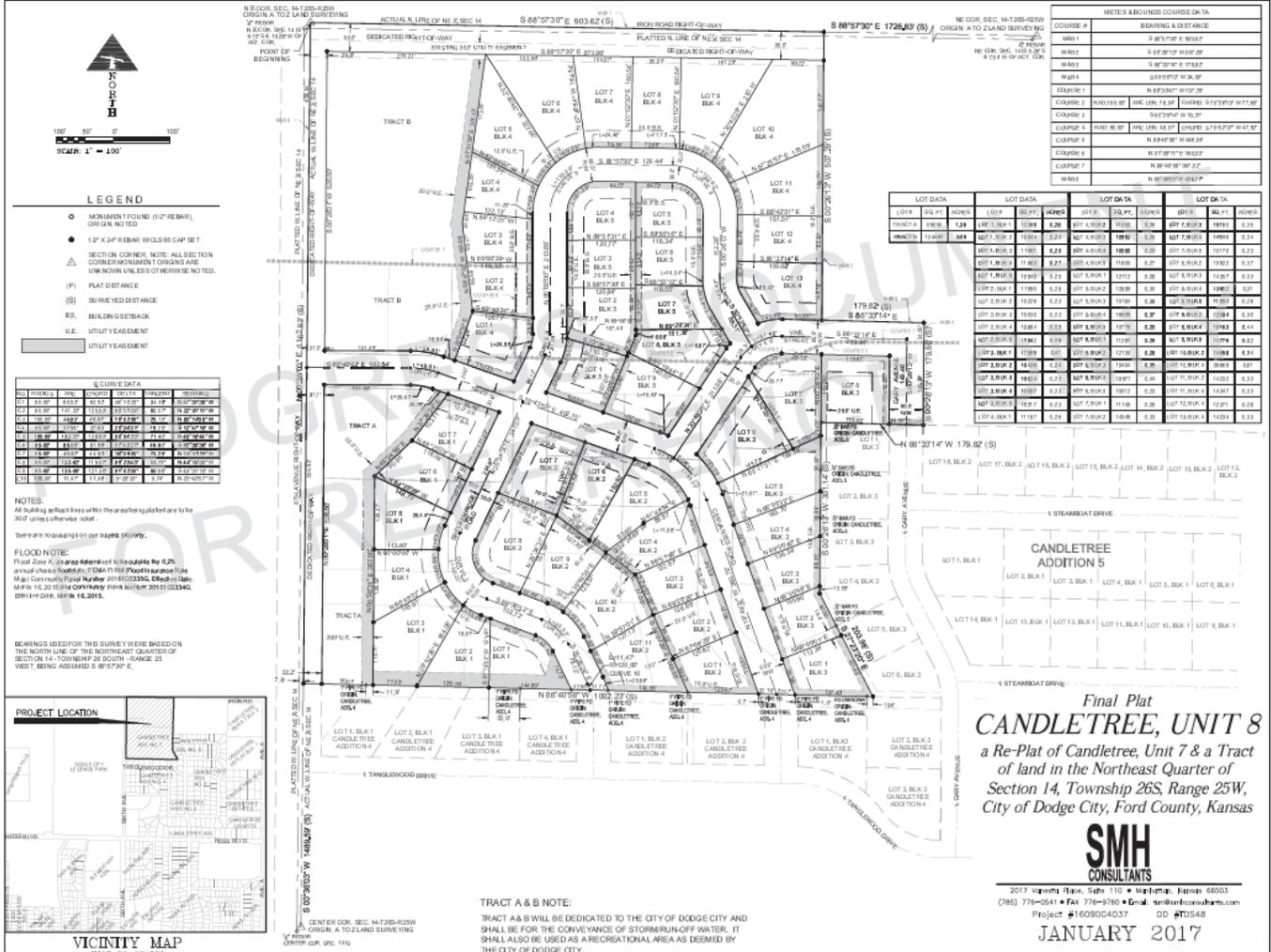
**EXHIBIT B**

**MAP OF RURAL HOUSING IMPROVEMENT DISTRICT  
BOUNDARIES FOR CANDLETREE 8 PHASE II DEVELOPMENT PROJECT**



# EXHIBIT C

## CANDLETREE 8 PHASE II SITE DEVELOPMENT PLAN



**EXHIBIT D**

**ELIGIBLE COSTS FOR**  
**CANDLETREE 8 PHASE II DEVELOPMENT PROJECT**

**EXHIBIT E**

**CERTIFICATION OF SUBSTANTIAL COMPLETION FORM**

The undersigned, on behalf of Volz Builders, LLC (the “Developer”), pursuant to Section 3.4.3 of the Development Agreement dated as of September 6, 2016 by and among the City of Dodge City, Kansas, and the Developer (the “Development Agreement), hereby certifies as follows. All capitalized terms used herein shall have the meaning attributable to such terms in the Development Agreement.

1. The Work with respect to the Internal Infrastructure Improvements in the Development Project is sufficiently complete in accordance with the Construction Plans, excepting all punch list items, such that the Developer can occupy or utilize the Work for its intended purpose.
2. The Work has been completed in a good and workmanlike manner.
3. There are no mechanic’s or materialmen’s liens or other statutory liens on file encumbering title to the Property; all bills for labor and materials furnished for the Work which could form the basis of a mechanic’s, materialmen’s or other statutory lien against the Property have been paid in full, and within the past four (4) months no such labor or materials have been furnished which have not been paid for.
4. All applicable building codes have been complied with in connection with the Work.

Dated:\_\_\_\_\_

VOLZ BUILDERS, LLC

By:\_\_\_\_\_

Name: Tim Voltz

Title:

## *Memorandum*

*To: City Manager  
City Commissioners*

*From: Ryan Reid*

*Date: January 15<sup>th</sup>, 2019*

*Subject: United Wireless HVAC Bids*

*Agenda Item: New Business*

---

### **Recommendation:**

Approve the bid from Weber (Full Package) for the United Wireless Arena. This includes an HVAC management system as well as services for a three year period.

### **Background:**

This bid was created to address a few issues at the United Wireless Arena. The software that runs the HVAC system there is challenging for staff to use and is outdated and in need of replacement. Additionally the Event Center does not have employees with HVAC expertise and this bid includes provisions to address that by creating a three year agreement that includes quarterly inspections and maintenance, as well as a negotiated labor rate with high availability. This plan should also address problems with continuity by standardizing the HVAC solution provider for both the software and the mechanical needs which we expect to result in improved operations and costs over time.

Originally, we sent out and reviewed bids in November. However, after discussions, we made the decision to rebid the project. The second bid added the option for quarterly maintenance and communicated the City's interest in energy savings.

### **Justification:**

Staff is recommending the Weber's Full Proposal for \$235,000. Weber's solution should bring a number of enhancements to the Event Center including a simplified management system as well as improved reports and emailed reports/alarms and other more modern features. Additionally Weber's system emphasizes energy savings as a major priority of the system.

Even a modest improvement on energy costs at this site will save the City significantly (see attached).

**Financial Considerations:**

The costs for the Quarterly Inspections and Maintenance would be paid from the United Wireless Event Center's operating budget. The management system will cost \$235,000 and will be paid from the depreciation fund.

Staff scored the proposals from the various vendors and the proposals from Waldinger and Weber scored highest and seemed to provide the best fit. Staff heard presentations from these two vendors as well. This closer examination made it clear that Weber's focus on energy savings could provide lasting benefits to the City.

This system is not the cheapest system initially but the emphasis on energy savings promises to make this system the better value over time. For example, the attached 5 year comparison shows how a 20% or 30% energy savings affects our cost of ownership and makes the Weber proposal less expensive over time.

**Attachments:** (Yes).

United Wireless HVAC Bid Tab  
2018 12 20

|                       | P1 (Opt1)                              | P1 (Opt2)                              | Waldinger (Desigo) | Waldinger (Alerton)             | Knipp/Trane                          | Weber Base   | Weber (Full) W/Energy Savings              |
|-----------------------|--|--|--------------------|---------------------------------|--------------------------------------|--------------|--|
| Software/system       | \$38,500                               | \$79,800                               | \$49,850           | \$278,435<br>plus \$1500 annual | \$183,900                            | \$128,000    | \$235,000<br>*alternate financing options* |
| Hourly Labor          | \$ 92.00<br>50 min per day van charge  | \$ 92.00<br>50 min per day van charge  | \$ 94.50           | \$ 94.50                        | \$ 115.00<br>plus possible travel    | \$ 108.00    | \$ 108.00                                  |
| Overtime Labor        | \$ 128.00<br>50 min per day van charge | \$ 128.00<br>50 min per day van charge | \$ 127.50          | \$ 127.50                       | \$ 172.50<br>Sundays/Holidays are X2 | \$ 162.00    | \$ 162.00                                  |
| Quarterly Inspections | \$ 36,636.00                           | \$ 36,636.00                           | \$ 22,152.00       | \$ 22,152.00                    | \$ 113,960.00                        | \$ 5,000.00  | \$ 5,000.00                                |
| Quarterly Maintenance | \$ 33,240.00                           | \$ 33,240.00                           | \$ 39,981.00       | \$ 39,981.00                    | \$ 36,688.00                         | \$ 27,623.00 | \$ 27,623.00                               |

Notes

Kurt and I did not think P1 had the staff in the area to be able to meet the 2/4 hour service requirement.

Strong basic solution with best labor rates.

Decent labor rates with strong inspection and maintenance rates. Potential energy savings could save the City \$70,000 to \$100,000 a year after three years.

Best price for Quarterly Inspections and Maintenance.

Energy Info (2018 12 28)

### UW Event Center

Average

|                    |    |            |
|--------------------|----|------------|
| 2017 monthly Elect | \$ | 28,186.37  |
| yearly             | \$ | 338,236.44 |

|                      |    |            |
|----------------------|----|------------|
| 2017 monthly Nat Gas |    | \$3,736.68 |
| Yearly               | \$ | 44,840.16  |

| Combined Elect/Nat Gas |    | <u>1 year</u> | <u>2 years</u> | <u>3 years</u> | <u>4 years</u> | <u>5 years</u> |
|------------------------|----|---------------|----------------|----------------|----------------|----------------|
| 20% energy savings     | \$ | 76,615.32     | \$ 153,230.64  | \$ 229,845.96  | \$ 306,461.28  | \$ 383,076.60  |
| 30% energy savings     | \$ | 114,922.98    | \$ 229,845.96  | \$ 344,768.94  | \$ 459,691.92  | \$ 574,614.90  |

United Wireless HVAC Systems Bids

| <u>A) 5 Year Comparison</u>  |    | <u>Waldinger Desigo Solution</u> |    | <u>Weber (Full) &amp; 0% Energy Savings</u> |
|------------------------------|----|----------------------------------|----|---|
| Base (Capital) software cost | \$ | 49,850.00                        | \$ | 235,000.00                                  |
| quarterly inspections        | \$ | 110,760.00                       | \$ | 25,000.00                                   |
| quarterly maintenance        | \$ | 199,905.00                       | \$ | 138,115.00                                  |
| 5 year Net Cost To City      | \$ | <b>360,515.00</b>                | \$ | 398,115.00                                  |

Notes  
 With no energy savings, the Waldinger Desigo solution appears \$37,600 cheaper over a five year period.

| <u>B) 5 Year Comparison</u>  |    | <u>Waldinger Desigo Solution</u> |    | <u>Weber (Full) &amp; 20% energy Savings</u> |
|------------------------------|----|----------------------------------|----|--|
| Base (Capital) software cost | \$ | 49,850.00                        | \$ | 235,000.00                                   |
| quarterly inspections        | \$ | 110,760.00                       | \$ | 25,000.00                                    |
| quarterly maintenance        | \$ | 199,905.00                       | \$ | 138,115.00                                   |
| 5 years of energy savings    | \$ | -                                | \$ | (383,076.60)                                 |
| 5 year Net Cost To City      | \$ | 360,515.00                       | \$ | <b>15,038.40</b>                             |

Notes  
 With 20% energy savings, Weber's solution is approx \$345,000 cheaper over a five year period.

| <u>C) 5 year Comparison</u>  |    | <u>Waldinger Desigo Solution</u> |    | <u>Weber (Full) &amp; 30% energy Savings</u> |
|------------------------------|----|----------------------------------|----|--|
| Base (Capital) software cost | \$ | 49,850.00                        | \$ | 235,000.00                                   |
| quarterly inspections        | \$ | 110,760.00                       | \$ | 25,000.00                                    |
| quarterly maintenance        | \$ | 199,905.00                       | \$ | 138,115.00                                   |
| 5 years of energy savings    | \$ | -                                | \$ | (574,614.90)                                 |
| 5 year Net Cost To City      | \$ | 360,515.00                       | \$ | <b>(176,499.90)</b>                          |

Notes  
 With 30% energy savings, Weber's solution is approx \$537,000 cheaper over a five year period.

# Memorandum

*To: City Manager  
City Commissioners*  
*From: Ray Slattery, P.E.  
Director of Engineering Services*  
*Date: January 14, 2019*  
*Subject: Approval of Quote for Infrastructure  
Improvements for Candletree #8,  
Phase 2*  
*Agenda Item: New Business*

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**Recommendation:** Approve the proposal from Klotz Sand Co., Inc. for the construction of the Infrastructure Improvements for the Candletree #8, Phase 2 Sub-Division in the amount of \$446,094.38, pending completion of RHID documents and a Developer's Agreement by the developer.

**Background:** The City has been working with the Developer of the Candletree #8, Phase 2 Sub-Division to develop the infrastructure of water, sewer, and street to service this development. This project is a continuation of the Candletree #8 Sub-Division that was started in July of 2017 and was completed ahead of projections. This project will also be part of the RHID Program. The Developer requested quotes for the construction of the infrastructure improvements.

**Justification:** It is necessary to have adequate infrastructure for this sub-division to occur.

**Financial Considerations:** The construction of the infrastructure improvements for Candletree #8, Phase 2 Sub-Division will cost \$446,094.38. Funding of this project will be through Special Assesments and the RHID Program.

**Purpose/Mission:** The completion of this project will allow the developer to construct housing for our citizens.

**Legal Considerations:** By approving the quote with Klotz Sand Co., Inc. the City will enter into a contract with Klotz Sand Co., Inc. and be responsible to make payments to Klotz Sand Co. for the completed work.

**Attachments:** Quote Tab

CITY OF DODGE CITY, KANSAS  
QUOTE TABULATION

PROJECT: Candletree Unit 8, Phase 2 - Streets, Water, & Sanitary Sewer  
PROJECT #: PL 1804  
QUOTE DATE: 12/18/18

ENGINEER'S ESTIMATE

| ITEM                                | DESCRIPTION                                     | UNIT | QTY  | UNIT PRICE  | AMOUNT       |
|-------------------------------------|---|------|------|-------------|--------------|
| <b>Part A - Sanitary Sewer</b>      |   |      |      |             |              |
| 1                                   | Mobilization                                    | LS   | 1    | \$3,000.00  | \$ 3,000.00  |
| 2                                   | Construction Stacking                           | LS   | 1    | \$3,500.00  | \$ 3,500.00  |
| 3                                   | Clearing & Grubbing                             | LS   | 1    | \$1,500.00  | \$ 1,500.00  |
| 4                                   | Standard Manhole (4' Dia.)                      | Each | 4    | \$4,000.00  | \$ 16,000.00 |
| 5                                   | Extra Depth Manhole                             | VF   | 14   | \$150.00    | \$ 2,100.00  |
| 6                                   | 8" (SDR 26) Sanitary Sewer                      | LF   | 587  | \$40.00     | \$ 23,480.00 |
| 7                                   | 4" PVC Sanitary Sewer Lateral                   | LF   | 204  | \$50.00     | \$ 10,200.00 |
| 8                                   | Cleanout Riser                                  | Each | 23   | \$250.00    | \$ 5,750.00  |
| 9                                   | Connect to Existing 8" Stub                     | Each | 1    | \$750.00    | \$ 750.00    |
| 10                                  | Connect to Existing 18" Sanitary Sewer Line     | Each | 1    | \$1,375.00  | \$ 1,375.00  |
| 11                                  | Quality Control/Quality Assurance               | LS   | 1    | \$500.00    | \$ 500.00    |
| <b>Part B - Waterline</b>           |   |      |      |             |              |
| 1                                   | Mobilization                                    | LS   | 1    | \$1,500.00  | \$ 1,500.00  |
| 2                                   | Construction Stacking                           | LS   | 1    | \$1,500.00  | \$ 1,500.00  |
| 3                                   | Clearing & Grubbing                             | LS   | 1    | \$1,500.00  | \$ 1,500.00  |
| 4                                   | 8" C900 Water Main (PVC)                        | LF   | 862  | \$35.00     | \$ 30,170.00 |
| 5                                   | 8" DIP Fittings                                 |      |      |             |              |
|                                     | 8" 22.5° MJ Bend                                | Each | 3    | \$400.00    | \$ 1,200.00  |
|                                     | 8" 45° MJ Bend                                  | Each | 4    | \$450.00    | \$ 1,800.00  |
|                                     | 8" Gate Valve/Box Assembly                      | Each | 2    | \$750.00    | \$ 1,500.00  |
| 6                                   | 5 1/2" Fire Hydrant Assembly                    | Each | 2    | \$5,250.00  | \$ 10,500.00 |
| 7                                   | 3/4" Blue Poly Pipe                             | LF   | 685  | \$10.00     | \$ 6,850.00  |
| 8                                   | Water Line Service Connection                   | Each | 18   | \$500.00    | \$ 9,000.00  |
| 9                                   | Connect to Existing 8" Main                     | Each | 2    | \$750.00    | \$ 1,500.00  |
| 10                                  | Quality Control/Quality Assurance               | LS   | 1    | \$1,100.00  | \$ 1,100.00  |
| <b>Part C - Streets and Grading</b> |   |      |      |             |              |
| 1                                   | Mobilization                                    | LS   | 1    | \$15,000.00 | \$ 15,000.00 |
| 2                                   | Construction Staking                            | LS   | 1    | \$3,000.00  | \$ 3,000.00  |
| 3                                   | Clearing & Grubbing                             | LS   | 1    | \$3,000.00  | \$ 3,000.00  |
| 4                                   | Excavation (Unclassified)                       | CY   | 3150 | \$5.00      | \$ 15,750.00 |
| 5                                   | Embankment (95%) (VRF=1.1)                      | CY   | 3150 | \$4.50      | \$ 14,175.00 |
| 6                                   | Embankment (95%)(Contractor Furnished)(VRF=1.1) | CY   | 1656 | \$9.00      | \$ 14,904.00 |
| 7                                   | 2" Asphalt Pavement (Class A HMA)               | SY   | 2874 | \$9.00      | \$ 25,866.00 |
| 8                                   | 4" Asphalt Pavement (Class A HMA)               | SY   | 2874 | \$18.00     | \$ 51,732.00 |
| 9                                   | Paving Fabric                                   | SY   | 2874 | \$5.00      | \$ 14,370.00 |
| 10                                  | 6" Fly Ash Treated Compacted Subgrade (95%)     | SY   | 3598 | \$11.00     | \$ 39,578.00 |
| 11                                  | Curb and Gutter Transition                      | LF   | 110  | \$20.00     | \$ 2,200.00  |
| 12                                  | 30" Standard Curb & Gutter                      | LF   | 233  | \$20.00     | \$ 4,660.00  |
| 13                                  | 30" Rollover Curb & Gutter                      | LF   | 1516 | \$20.00     | \$ 30,320.00 |
| 14                                  | Permanent Street Signage                        | LS   | 1    | \$1,500.00  | \$ 1,500.00  |
| 15                                  | Type 22 Setback Curb Inlet (5'L x 3'W)          | Each | 1    | \$6,000.00  | \$ 6,000.00  |
| 16                                  | Type 22 Setback Curb Inlet (10'L x 3'W)         | Each | 1    | \$9,000.00  | \$ 9,000.00  |
| 17                                  | 18" Reinforced Concrete Pipe                    | LF   | 208  | \$50.00     | \$ 10,400.00 |
| 18                                  | 18" RCP End Section                             | Each | 1    | \$650.00    | \$ 650.00    |
| 19                                  | 8" PVC  | Each | 28   | \$20.00     | \$ 560.00    |
| 20                                  | Silt Fence                                      | LF   | 1379 | \$2.50      | \$ 3,447.50  |
| 21                                  | Inlet Protection                                | Each | 2    | \$100.00    | \$ 200.00    |
| 22                                  | Faircloth Skimmer (6")(Relocation)              | Each | 1    | \$600.00    | \$ 600.00    |
| 23                                  | Construction Entrance                           | Each | 2    | \$1,000.00  | \$ 2,000.00  |
| 24                                  | Flexamat  | SF   | 160  | \$40.00     | \$ 6,400.00  |
| 25                                  | Temporary Seeding                               | AC   | 3.1  | \$1,500.00  | \$ 4,650.00  |
| 26                                  | Permanent Seeding                               | AC   | 1.4  | \$1,500.00  | \$ 2,100.00  |
| 27                                  | Sediment & Erosion Control                      | LS   | 1    | \$2,500.00  | \$ 2,500.00  |
| Extra                               | Bond  | LS   | 1    | \$0.00      | \$ -         |

TOTAL \$ 420,837.50

|                      |  |
|----------------------|--|
| <b>CONTRACTOR:</b>   |  |
| Klotz Sand Co.       |  |
| <b>ADDRESS:</b>      |  |
| P.O. Box 150         |  |
| <b>CITY:</b> Holcomb |  |
| <b>STATE:</b> Kansas |  |
| <b>ZIP:</b> 67851    |  |
| <b>LOW QUOTE</b>     |  |

| UNIT PRICE  | CONTRACT AMOUNT |
|-------------|-----------------|
| \$15,250.00 | \$ 15,250.00    |
| \$1,350.00  | \$ 1,350.00     |
| \$1,250.00  | \$ 1,250.00     |
| \$3,650.00  | \$ 14,600.00    |
| \$175.00    | \$ 2,450.00     |
| \$42.95     | \$ 25,211.65    |
| \$33.25     | \$ 6,783.00     |
| \$175.00    | \$ 4,025.00     |
| \$1,075.00  | \$ 1,075.00     |
| \$2,400.00  | \$ 2,400.00     |
| \$5,250.00  | \$ 5,250.00     |
| \$10,950.00 | \$ 10,950.00    |
| \$1,150.00  | \$ 1,150.00     |
| \$1,350.00  | \$ 1,350.00     |
| \$26.50     | \$ 22,843.00    |
| \$695.00    | \$ 2,085.00     |
| \$675.00    | \$ 2,700.00     |
| \$1,225.00  | \$ 2,450.00     |
| \$3,950.00  | \$ 7,900.00     |
| \$7.50      | \$ 5,137.50     |
| \$265.00    | \$ 4,770.00     |
| \$750.00    | \$ 1,500.00     |
| \$2,245.00  | \$ 2,245.00     |
| \$32,150.00 | \$ 32,150.00    |
| \$4,650.00  | \$ 4,650.00     |
| \$5,700.00  | \$ 5,700.00     |
| \$4.00      | \$ 12,600.00    |
| \$4.75      | \$ 14,962.50    |
| \$12.00     | \$ 19,872.00    |
| \$8.74      | \$ 25,118.76    |
| \$17.48     | \$ 50,237.52    |
| \$1.85      | \$ 5,316.90     |
| \$5.10      | \$ 18,349.80    |
| \$32.00     | \$ 3,520.00     |
| \$32.00     | \$ 7,456.00     |
| \$32.00     | \$ 48,512.00    |
| \$4,500.00  | \$ 4,500.00     |
| \$5,350.00  | \$ 5,350.00     |
| \$54.00     | \$ 11,232.00    |
| \$650.00    | \$ 650.00       |
| \$29.00     | \$ 812.00       |
| \$5.25      | \$ 7,239.75     |
| \$400.00    | \$ 800.00       |
| \$1,000.00  | \$ 1,000.00     |
| \$700.00    | \$ 1,400.00     |
| \$14.00     | \$ 2,240.00     |
| \$2,300.00  | \$ 7,130.00     |
| \$2,300.00  | \$ 3,220.00     |
| \$2,500.00  | \$ 2,500.00     |
| \$4,850.00  | \$ 4,850.00     |

TOTAL \$ 446,094.38

BID SECURITY N/A  
START DATE

|                               |  |
|-------------------------------|--|
| <b>CONTRACTOR:</b>            |  |
| APAC Kansas - Shears Division |  |
| <b>ADDRESS:</b>               |  |
| CITY: Dodge City              |  |
| STATE: Kansas                 |  |
| ZIP: 67801                    |  |

| UNIT PRICE      | CONTRACT AMOUNT |
|-----------------|-----------------|
| \$41,900.00     | \$ 41,900.00    |
| \$1,000.00      | \$ 1,000.00     |
| \$4,425.00      | \$ 4,425.00     |
| \$5,000.00      | \$ 20,000.00    |
| \$126.00        | \$ 1,764.00     |
| \$46.00         | \$ 27,002.00    |
| \$219.00        | \$ 44,676.00    |
| \$220.00        | \$ 5,060.00     |
| \$350.00        | \$ 350.00       |
| \$13,500.00     | \$ 13,500.00    |
| \$3,700.00      | \$ 3,700.00     |
| \$16,150.00     | \$ 16,150.00    |
| \$1,000.00      | \$ 1,000.00     |
| \$725.00        | \$ 725.00       |
| \$25.00         | \$ 21,550.00    |
| \$500.00        | \$ 1,500.00     |
| \$500.00        | \$ 2,000.00     |
| \$4,000.00      | \$ 8,000.00     |
| \$5,000.00      | \$ 10,000.00    |
| \$10.60         | \$ 7,261.00     |
| \$300.00        | \$ 5,400.00     |
| \$250.00        | \$ 500.00       |
| \$1,000.00      | \$ 1,000.00     |
| \$21,935.00     | \$ 21,935.00    |
| \$7,250.00      | \$ 7,250.00     |
| \$500.00        | \$ 500.00       |
| \$2.50          | \$ 7,875.00     |
| \$2.50          | \$ 7,875.00     |
| \$12.50         | \$ 20,700.00    |
| \$9.75          | \$ 28,021.50    |
| \$18.25         | \$ 52,450.50    |
| \$1.85          | \$ 5,316.90     |
| \$8.00          | \$ 28,784.00    |
| \$32.00         | \$ 3,520.00     |
| \$32.00         | \$ 7,456.00     |
| \$32.00         | \$ 48,512.00    |
| \$2,954.00      | \$ 2,954.00     |
| \$4,400.00      | \$ 4,400.00     |
| \$4,750.00      | \$ 4,750.00     |
| \$46.25         | \$ 9,620.00     |
| \$450.00        | \$ 450.00       |
| \$78.00         | \$ 2,184.00     |
| \$2.10          | \$ 2,895.90     |
| \$160.00        | \$ 320.00       |
| \$3,400.00      | \$ 3,400.00     |
| \$550.00        | \$ 1,100.00     |
| \$21.00         | \$ 3,360.00     |
| \$2,480.00      | \$ 7,688.00     |
| \$3,700.00      | \$ 5,180.00     |
| \$1,500.00      | \$ 1,500.00     |
| Included in Bid |                 |

TOTAL \$ 528,460.80

BID SECURITY N/A  
START DATE

# *Memorandum*

*To: City Manager  
City Commissioners*  
*From: Tanner Rutschman, P.E.  
City Engineer*  
*Date: January 14, 2019*  
*Subject: Consulting Service Agreement for  
Sutherland's Entrance Drive, CA 1703.*  
*Agenda Item: New Business*

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**Recommendation:** Approve Consulting Services Agreement with SMH Consultants, P.A. pending review by City Attorney.

**Background:** As part of the development agreement between the City and Sutherlands, the entrance drive from 14<sup>th</sup> Ave. to Sutherlands needs to be completed by July 31, 2019. This drive was shown and discussed in the Request for Proposals (RFP) to design the infrastructure for the new Sutherland's development site and three pad sites along North 14<sup>th</sup> Ave. However it was not included in the original proposal for design services. Therefore, staff negotiated the fee to design the fore mentioned entrance drive. This design and construction project will need to be on the fast track to meet the dates outlined in the development agreement. Prior to the construction of the entrance drive the demolition of the church needs to be completed. This can take place after March 15, 2019. SMH plans to have design underway prior to this date to meet the July 31, 2019 deadline.

**Justification:** As outlined in the developer's agreement, an entrance drive is to be constructed by the City between Lots 2 & 3 of the development. This drive will also provide access to Lots 2 & 3 when improvements are made.

**Financial Considerations:** The contract with SMH Consultants is for a not to exceed amount of \$13,607.50. This is a reimbursable expense through STAR Bonds.

**Purpose/Mission:** The completion of this project will enable the City to have Sutherland's lot along with three additional pad sites with 14<sup>th</sup> Ave. frontage available for development.

**Legal Considerations:** The City is entering into a contract with SMH Consultants and is bound by the provisions of this contract.

**Attachments:** The Consulting Services Agreement with SMH Consultants along with the project scope and fee estimate. Also attached is the site plan of the 14<sup>th</sup> Ave. & Soule St. Development.



January 4, 2019

Ray Slattery, P.E.  
Director of Engineering Services  
City of Dodge City  
806 2<sup>nd</sup> Avenue, P.O. Box 880  
Dodge City, KS 67801

Dear Mr. Slattery:

Thank you for potentially selecting SMH Consultants, P.A. ("SMH") to assist you with your Sutherlands Entrance project in Dodge City, Kansas. The project will consist of civil construction documents for a single entrance to the Sutherlands development. The estimated cost to complete the project through construction documents is \$13,607.50 and will be billed hourly not to exceed. I have attached a proposed scope of professional services that details the services to be provided by SMH. Our fee is broken down as follows:

|                                  |                    |
|----------------------------------|--------------------|
| Part I – Topographic Survey      | \$1,380.00         |
| Part II – Construction Documents | \$12,227.50        |
| <hr/>                            |                    |
| <b>Total</b>                     | <b>\$13,607.50</b> |

Please note that you are retaining SMH as an independent contractor and as a consultant. By signing below, you agree to pay SMH for the services to be provided upon receipt of the SMH invoice.

SMH's total liability arising under this agreement will, in no event, exceed the total amount paid by you to SMH pursuant to this agreement during the preceding twelve (12) month period prior to the date such liability arose. By signing below, you agree to indemnify, defend, and hold SMH harmless from any and all claims, demands, liabilities, costs, damages, or causes of action of any nature whatsoever, arising out of any matter directly related to SMH's work on the above-described project. This agreement contains the entire agreement between the parties.

If you find the terms and conditions of this agreement to be acceptable, please sign below. Please return a copy of this agreement to our office at the address listed below. If you have any questions regarding this agreement, I am able to be reached by email at [klancaster@smhconsultants.com](mailto:klancaster@smhconsultants.com) or by phone at 620-255-1952.

We look forward to assisting you with this project.

Sincerely,



Kurth Lancaster, PLA  
SMH Consultants

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name

Attachments:

1. Proposed Scope of Professional Services

***Sutherlands Entrance  
Commercial Site Development (City Side)  
Scope of Professional Services  
Prepared: January 2, 2019***

**SMH Consultants (SMH) will perform the following tasks for the City of Dodge City.**

**Part I (Topographic Survey)**

1. Additional topographic, and site survey for the entire area where improvements will take place related to the Sutherlands entrance. This task is generally related to picking up as-built information from the Sutherlands project and any other noted changes to topography.
2. Conversion of the survey into a working drawing that can be used for design.

**Part II (Street and Utility Construction Documents)**

1. Coordination with the Sutherlands engineering consultant and City regarding the design elements impacting the design of the site. This task also includes an initial site visit to familiarize the Project Engineer with the site's characteristics and other coordination meetings that may take place. In addition, this task includes a project kick-off meeting to discuss design criteria, scope the project, and set the goals of the project.
2. Title sheet with appropriate signature blocks and other requirements of the City of Dodge City.
3. General Notes & Quantities sheet that corresponds with City of Dodge City standards.
4. Site plan showing all existing and proposed improvements, proposed lot lines, proposed easements, existing easements, right of way and utilities.
5. Grading plan with existing and proposed contours and/or spot elevations at key grading points.
6. Typical sections for the proposed drive entrance to depict pavement and base thicknesses, widths, and various other cross section information.
7. Roadway plan and profile for the Sutherlands entrance. The proposed street plan and profile will also depict the location of utility crossings both vertically and horizontally. The street plan and profile shall conform to City of Dodge City Standards.

8. Paving details as required by the pavement design.
9. Roadway cross sections for the Sutherlands entrance. Roadway cross sections will depict proposed and existing known and discoverable ground conditions, characteristics and improvements, as well as water and sanitary sewer crossings and crown elevations.
10. Intersection details showing horizontal and vertical design information at each of the proposed intersections.
11. Permanent traffic control plan.
12. Stormwater erosion and sediment control plan.
13. Preparation of final special provision and specification documents using City of Dodge City standard forms.
14. Submittal of field check construction documents (electronically and one full size paper set) for review by the City of Dodge City. This task also includes a field check by the Dodge City Office Manager. This task also includes addressing any modifications to the plans required as a result of the field check review by the City of Dodge City or Sutherlands.
15. Quality control check by the Project Manager, an independent Project Manager and a Managing Principal Engineer who will provide quality assurance. This review will also include a design charrette involving the most experienced engineers within the company to discuss the design, cost saving opportunities, and the quality of the final plan set.
16. Submittal of final plans, special provisions, and specifications (electronically and two full size paper sets, and two half size paper sets).
17. Construction engineering including 2 site visits to address unforeseen issues during construction, coordination with the contractor and submittal (shop drawing) review.

### **Additional Services**

Any services not identified in the fore mentioned scope of services requested by the City of Dodge City will be provided or negotiated at 2019 hourly rates included herein.

**Fee Estimate**

City of Dodge City  
Sutherland Entrance

SC = Survey Crew  
CT = CADD Technician  
MPLS = Managing Principal Land Surveyor

RLS = Registered Land Surveyor  
MPE = Managing Principal Engineer  
PE = Project Engineer

DE = Design Engineer  
LA = Landscape Architect  
CL = Clerical



Prepared January 4, 2019

|  | SC | CT | MPLS | RLS | MPE | PE | DE | LA  | CL | Rate = | SC                   | CT | MPLS | RLS      | MPE      | PE         | DE | LA       | CL | Expenses | Totals<br>Hours        | Total Fee  |                    |  |
|--|----|----|------|-----|-----|----|----|-----|----|--------|----------------------|----|------|----------|----------|------------|----|----------|----|----------|------------------------|------------|--------------------|--|
|  |    |    |      |     |     |    |    |     |    |        |                      |    |      |          |          |            |    |          |    |          |                        |            |                    |  |
| <b>Estimated Hours</b>                                     |    |    |      |     |     |    |    |     |    |        | <b>Estimated Fee</b> |    |      |          |          |            |    |          |    |          |                        |            |                    |  |
| <b>Part I - Topographic Survey</b>                         |    |    |      |     |     |    |    |     |    |        |                      |    |      |          |          |            |    |          |    |          |                        |            |                    |  |
| 1. Boundary, Topo, and Site Survey                         | 8  |    | 1    |     |     |    |    |     |    |        | \$1,000.00           |    |      | \$125.00 |          |            |    |          |    |          | 9                      | \$1,125.00 |                    |  |
| 2. Base Map Preparation                                    |    | 3  |      |     |     |    |    |     |    |        |                      |    |      |          | \$255.00 |            |    |          |    |          | 3                      | \$255.00   |                    |  |
|  |    |    |      |     |     |    |    |     |    |        |                      |    |      |          |          |            |    |          |    |          | <b>Part I Total =</b>  |            | <b>\$1,380.00</b>  |  |
| <b>Part II - Street and Utility Construction Documents</b> |    |    |      |     |     |    |    |     |    |        |                      |    |      |          |          |            |    |          |    |          |                        |            |                    |  |
| 1. Coordination  |    |    |      |     |     | 2  |    | 1   |    |        |                      |    |      |          |          | \$270.00   |    | \$105.00 |    |          | 3                      | \$375.00   |                    |  |
| 2. Title Sheet   |    |    |      |     |     | 2  |    |     |    |        |                      |    |      |          |          | \$270.00   |    |          |    |          | 2                      | \$270.00   |                    |  |
| 3. General Notes & Quantities                              |    |    |      |     |     | 6  |    |     |    |        |                      |    |      |          |          | \$810.00   |    |          |    |          | 6                      | \$810.00   |                    |  |
| 4. Site Plan   |    |    |      |     |     | 4  |    |     |    |        |                      |    |      |          |          | \$540.00   |    |          |    |          | 4                      | \$540.00   |                    |  |
| 5. Grading Plan  |    |    |      |     |     | 16 |    |     |    |        |                      |    |      |          |          | \$2,160.00 |    |          |    |          | 16                     | \$2,160.00 |                    |  |
| 6. Typical Sections  |    |    |      |     |     | 2  |    |     |    |        |                      |    |      |          |          | \$270.00   |    |          |    |          | 2                      | \$270.00   |                    |  |
| 7. Roadway Plan and Profile                                |    |    |      |     |     | 16 |    |     |    |        |                      |    |      |          |          | \$2,160.00 |    |          |    |          | 16                     | \$2,160.00 |                    |  |
| 8. Paving Details  |    |    |      |     |     | 4  |    |     |    |        |                      |    |      |          |          | \$540.00   |    |          |    |          | 4                      | \$540.00   |                    |  |
| 9. Roadway Cross Sections                                  |    |    |      |     |     | 4  |    |     |    |        |                      |    |      |          |          | \$540.00   |    |          |    |          | 4                      | \$540.00   |                    |  |
| 10. Intersection Details                                   |    |    |      |     |     | 8  |    |     |    |        |                      |    |      |          |          | \$1,080.00 |    |          |    |          | 8                      | \$1,080.00 |                    |  |
| 11. Permanent Traffic Control Plan                         |    |    |      |     |     | 4  |    |     |    |        |                      |    |      |          |          | \$540.00   |    |          |    |          | 4                      | \$540.00   |                    |  |
| 12. Stormwater Erosion & Sediment Control Plan             |    |    |      |     |     | 4  |    |     |    |        |                      |    |      |          |          | \$540.00   |    |          |    |          | 4                      | \$540.00   |                    |  |
| 13. Special Provisions                                     |    |    |      |     |     | 2  |    |     |    |        |                      |    |      |          |          | \$270.00   |    |          |    |          | 2                      | \$270.00   |                    |  |
| 14. Field Check Submittal and Review                       |    |    |      |     |     | 1  |    | 1   |    |        |                      |    |      |          |          | \$135.00   |    | \$105.00 |    |          | 2                      | \$240.00   |                    |  |
| 15. Quality Control and Assurance Review                   |    |    |      |     | 1   | 4  |    | 0.5 |    |        |                      |    |      |          | \$165.00 | \$540.00   |    | \$52.50  |    |          | 5.5                    | \$757.50   |                    |  |
| 16. Final Submittal  |    |    |      |     |     |    |    |     |    |        |                      |    |      |          |          |            |    |          |    | \$55.00  | 1                      | \$55.00    |                    |  |
| 17. Construction Engineering/Shop Drawing Review           |    |    |      |     |     | 8  |    |     |    |        |                      |    |      |          |          | \$1,080.00 |    |          |    |          | 8                      | \$1,080.00 |                    |  |
|  |    |    |      |     |     |    |    |     |    |        |                      |    |      |          |          |            |    |          |    |          | <b>Part II Total =</b> |            | <b>\$12,227.50</b> |  |
|  |    |    |      |     |     |    |    |     |    |        |                      |    |      |          |          |            |    |          |    |          | <b>Fee Estimate =</b>  |            | <b>\$13,607.50</b> |  |

# Site Plan of the 14th Ave. & Soule St. Development



## *Memorandum*

*To: City Manager  
City Commissioners*  
*From: Tanner Rutschman, P.E.  
City Engineer*  
*Date: January 22, 2019*  
*Subject: 2019 Street Program*  
*Agenda Item: New Business*

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**Recommendation:** Approve the 2019 Street Program as outlined below.

**Background:** On an annual basis, staff outlines street construction projects for Commission approval. These projects are based on information gathered from staff maintenance records and inspection of the City Streets. Each year as many street projects are included as possible with the funds available for the Street Program. As a result, several projects have been selected for this years Street Program.

**Justification:** The projects included in this years Street Program were selected based on their current PCI rating and the ability of staff to stretch funding as far as possible. Once identified, the appropriate repair technique was chosen for each. These selected streets only account for a portion of the streets that require capital maintenance and next year we will continue the street program and prioritize streets in a manner to improve as many streets as possible.

**Financial Considerations:** Partial funding of these projects will come form the City's Special Streets Fund for construction and maintenance of the city's streets. A total of \$905,000 would be allocated from the Special Streets Fund for this program. The remaining funds would need to come from General Obligation Bonds. A total of \$2,495,900 of the funds would need to come from GOB funds to complete the program as presented. Staff and the Finance director will work together to determine the repayment amount of the GOB projects. Staff will return to the Commission for their approval of the additional GOB projects. Staff wants to begin the intial design of the GOB listed projects.

**Purpose/Mission:** These Projects align with the City's Core Value of administering Ongoing Improvements to provide for the citizens and prepare for the community's future.

**Legal Considerations:** N/A

**Attachments:** List of 2019 Street Projects, street maintenance zones, & an updated PCI.

## **2019 STREET PROGRAM LIST**

### **SPECIAL STREETS FUNDING** **\$ 905,000**

#### **MASTIC CRACK SEALANT –** **\$ 100,000**

This project consists of patching large transverse cracks on several streets in town. This is a preventative maintenance measure that will improve the smoothness of the road surface and deter water from percolating through the pavement and deteriorating the sub-grade. This preventative maintenance technique will work hand in hand with the City's planned Chip Seal Program. Maintenance Zone #4 (West Dodge) will receive crack sealant this year.

#### **STREET SEALING --** **\$ 505,000**

This funding will go towards continuing the chip seal program. This program is set up to follow the crack sealing program one maintenance zone at a time until the entire residential asphalt street system has been treated. This year's street sealing will take place in Zone 6 (South Dodge).

#### **PAVEMENT MARKINGS –** **\$ 50,000**

These funds will go towards the removal and replacement of pavement markings on Comanche St. from 1<sup>st</sup> Ave. to 9<sup>th</sup> Ave. If funds are left over after this project, the remaining funds we go towards the removal and replacement of railroad crossing striping in the proposed Quiet Zone.

#### **TRAFFIC SIGNAL IMPROVEMENTS/REPAIRS –** **\$ 50,000**

This money will be used to install video detection and turn arrows at the intersection of 14<sup>th</sup> Ave. & Beeson Rd. The turn arrows were a recommendation from KDOT during their last railroad preemption timing inspection.

#### **DOWNTOWN CURB & GUTTER REPAIR –** **\$ 15,000**

This funding will go towards repairing sections of sidewalk and curb & gutter in the downtown area.

#### **SIDEWALK CONSTRUCTION –** **\$ 50,000**

This money goes towards the construction of new sidewalks and repair of existing sidewalks, either by the City or through the Cost-Share Program. One possible sidewalk project would be to extend sidewalk along Soule St. from Manor Dr. to 14<sup>th</sup> Ave.

#### **DEPOT SIDEWALK CONSTRUCTION –** **\$ 5,000**

This money will go towards the construction of a sidewalk that will connect the parking lot east of the Depot to the main entrance off of Wyatt Earp Blvd.

#### **CONCRETE STREET REPAIRS –** **\$ 50,000**

These funds will go towards repairing valley gutters, curb & gutter, and sections of concrete streets that have failed around town.

**BRICK STREET REPAIR – \$ 75,000**  
 This funding will either go towards repairing a large section of brick street (still less than a block) or multiple small patch locations around town.

**PROPOSED GOB FUNDED PROJECTS \$ 2,495,000**

**ASPHALT STREET PROJECTS - \$ 500,000**

This funding will go towards the reconstruction and/or mill & overlay of asphalt streets. We are proposing to perform capitol maintenance on 29 blocks of asphalt streets with the program this year. The locations and type of maintenance include:

| <b>PROPOSED PROJECTS</b>   | <b>Zone</b> | <b>PCI</b> |
|--|-------------|------------|
| • Reconstruct Hillcrest Dr. (Division St. to Linn St.)                             | 4           | 34         |
| • Reconstruct Military Ave. (Ave. L to Ave. M)                                     | 5           | 13         |
| • 2” Overlay on Kirk St. (Sycamore St. to Willow St.)                              | 6           | 49*        |
| • 2” Mill & Inlay of 9 <sup>th</sup> Ave. (Wyatt Earp Blvd. to Division St.)       | 4           | 36*        |
| • 2” Mill & Inlay of W. Spruce St. (Westlawn Ave. to Greenwood Ave.)               | 4           | 43*        |
| • 2” Mill & Inlay on W. Briar St. (13 <sup>th</sup> Ave. to 10 <sup>th</sup> Ave.) | 4           | 46*        |
| • 2” Mill & Inlay on W. Park St. (17 <sup>th</sup> Ave. to 16 <sup>th</sup> Ave.)  | 4           | 41*        |
| • 2” Mill & Inlay on Wright Ave. (Wyatt Earp Blvd. to Division St.)                | 4           | 48*        |
| • 2” Mill & Inlay on W. Ash St. (13 <sup>th</sup> Ave. to 12 <sup>th</sup> Ave.)   | 4           | 48         |
| • 2” Mill & Inlay on E. Magnolia St. (Ave. E to Ave. F)                            | 5           | 31         |
| • 2” Mill & Inlay on E. Magnolia St. (Ave. G to Ave. H)                            | 5           | 40         |
| • 2” Mill & Inlay on E. Mulberry St. (Ave. C to Ave. D)                            | 5           | 15         |
| • 2” Mill & Inlay on E. Mulberry St. (Ave. F to Ave. G)                            | 5           | 36         |
| • 2” Mill & Inlay on E. Oak St. (Ave. F to Ave. G)                                 | 5           | 39         |

*\*These scores represent the average PCI over a multiple block section.*

**US 50 HIGHWAY & GARY AVE. INTERSECTION Design – \$ 500,000**

In May of 2018 we submitted an application to KDOT for fiscal year 2020 funds to improve the intersection of Gary Ave. and US Hwy 50 as a result of recommendations by TranSystems in their US 50 corridor analysis. This application was approved in August with a maximum contribution from KDOT set at \$500,000. Responses from a Request for Qualifications were received on January 15<sup>th</sup> of this year and City staff is working with “Consultant” to finalize a scope of services and design contract. The estimated City share of the project is \$500,000 and includes design, construction, and construction inspection. The design of this improvement will be completed this fall and be put out to bid in October 2019.

**6TH AVE. & SOULE ST. INTERSECTION IMPROVEMENT DESIGN – \$ 80,000**

This project will realign the intersection of 6<sup>th</sup> Ave. and Soule St. by widening the west leg of the intersection to allow for a left-turn lane. This added left-turn lane will match-up with the westbound left-turn lane. This project will also include the installation of a new traffic signal and pedestrian/bike path extension.

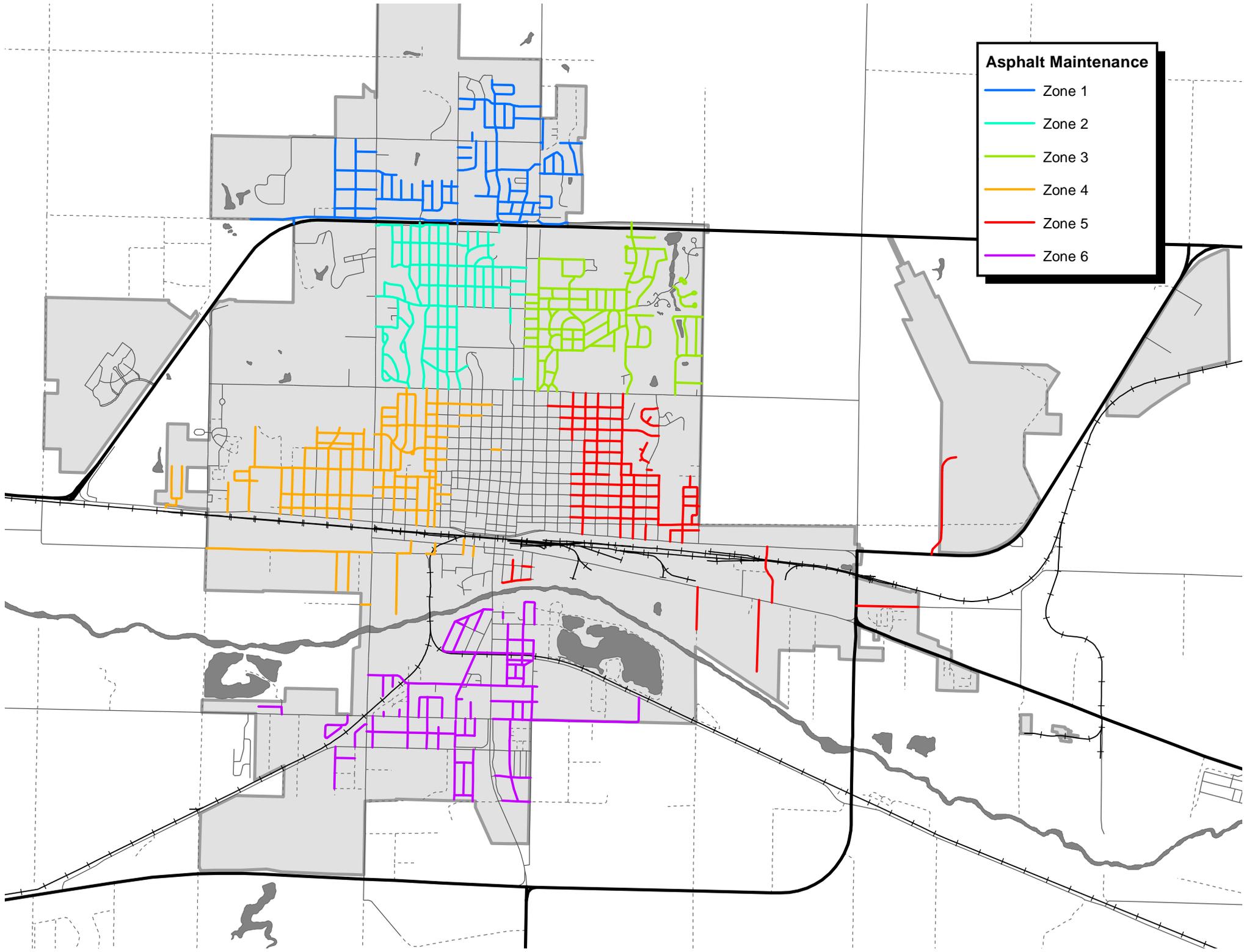
|  |                     |
|--|---------------------|
| <b>COMANCHE STREET EXTENSION</b>   | <b>\$ 850,000</b>   |
| This funding will go towards preliminary design and the purchase of right-of-way along Comanche St. so that the road may be extended out to US50 Highway from Matt Down Ln. in the future.   |                     |
| <b>COMANCHE STREET RECONSTRUCTION</b>  | <b>\$ 15,000</b>    |
| This funding will go towards the preliminary design of a project to reconstruct Comanche St. from 14 <sup>th</sup> Ave. to the Walmart drive.  |                     |
| <b>SECOND AVENUE BRIDGE REPAIR –DESIGN</b>   | <b>\$ 100,000</b>   |
| This funding will go towards design costs associated with making the necessary repairs to the 2 <sup>nd</sup> Ave. bridge. These repairs include replacing the rocker pins and hinges as well as the deck of the bridge that abuts the expansion joints.   |                     |
| <b>REPLACEMENT OF AVENUE K BRIDGE –CONSTRUCTION</b>  | <b>\$ 450,000</b>   |
| This funding will go towards construction costs associated with replacing the bridge at the intersection of Ave. K and Military Ave.   |                     |
| <b><u>OTHER PROPOSED GOB FUNDED PROJECTS</u></b>   | <b>\$ 1,000,000</b> |
| <b>LEVEE CERTIFICATION IMPROVEMENTS -</b>  | <b>\$ 1,000,000</b> |
| These funds will go towards the next step required to insure that our levee system is certified in accordance with FEMA and that properties within the flood zone are not required to maintain flood insurance. This step will include raising the top of the levees in certain locations and armoring of the outfalls into the pilot channel. |                     |
| <b><u>PUBLIC ART FUND CONTRIBUTION</u></b>   | <b>\$ 29,950</b>    |
| Fund required for public art per Ordinance 3603 based on the amount to be bonded in 2019.  |                     |
| <b><u>TOTAL PROPOSED GOB FOR 2019</u></b>  | <b>\$ 3,524,950</b> |
| <b><u>PREVIOUS GOB FUNDED PROJECTS</u></b>   | <b>\$ 1,165,000</b> |
| <b>LINN ST. RECONSTRUCTION &amp; DRAINAGE IMPROVEMENT –</b>  | <b>\$ 250,000</b>   |
| This project will reconstruct and improve two blocks of Linn St. (14 <sup>th</sup> Ave to Greenwood Ave.) as well as redirect stormwater through a new storm sewer instead of having it flow down the street. Rattlesnake Creek will also be cleaned up in the process.  |                     |
| <b>WAGON WHEEL #2 CONNECTION TO FRONTVIEW –</b>  | <b>\$ 175,000</b>   |
| The Wagon Wheel #2 residential development has brought forth a need to construct a second outlet to this residential neighborhood in the northeast corner of town. This second outlet will help reduce traffic on Ave. A and give the new development direct access to US 50 Highway. Right-of-Way purchase is being finalized.                |                     |

**1<sup>ST</sup> AVE. RECONSTRUCTION & WATERLINE REPLACEMENT - \$ 740,000**

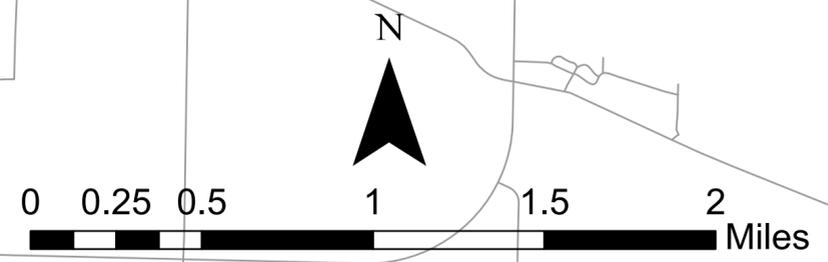
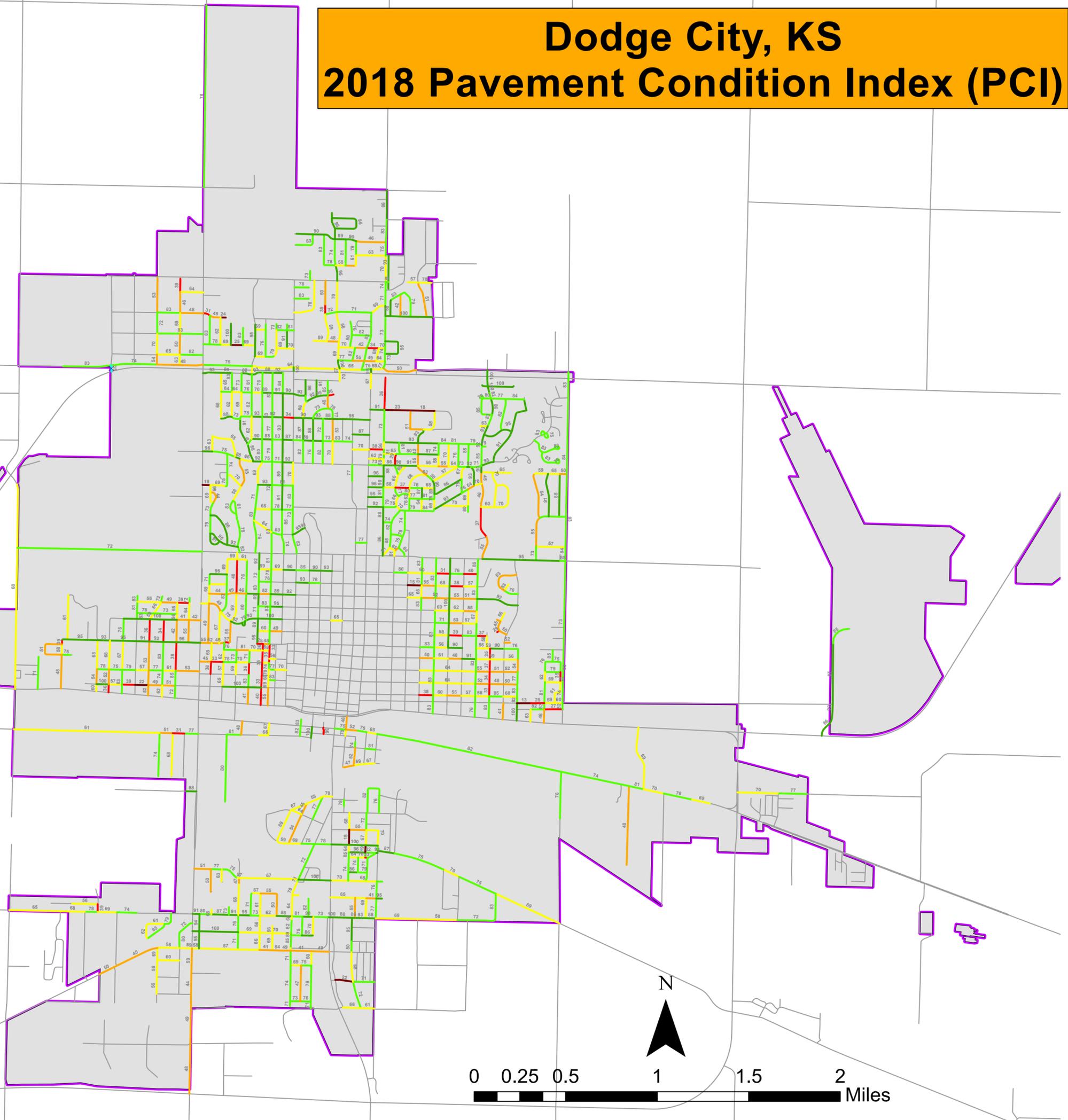
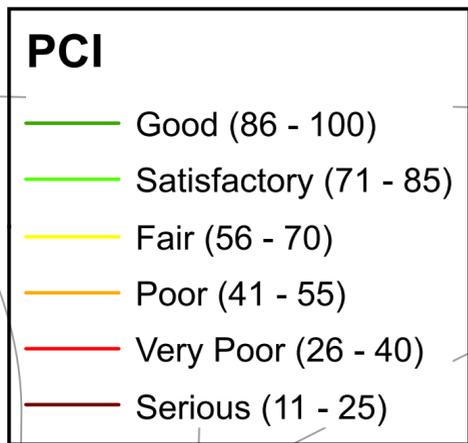
Replacement of a 5 block section of brick street from Hickory St. to Cedar St. along with the underlying water main. The roughest 5 continuous blocks with the most water main issues was selected. This project is on hold until the Central Ave. reconstruction project is nearing completion.

**Asphalt Maintenance**

- Zone 1
- Zone 2
- Zone 3
- Zone 4
- Zone 5
- Zone 6



# Dodge City, KS 2018 Pavement Condition Index (PCI)



# Memorandum

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**To:** City Commission  
**CC:** City Manager Cherise Tieben  
**From:** Abbey Martin, Public Information Specialist  
**Date:** 1/17/2019  
**Re:** Advisory Board and Commission Appointments

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The process of soliciting interested citizens to fill the expired/vacant positions on the city-appointed boards and commissions ended on December 28, 2018. Staff representatives have reviewed the applications and support the following Mayor's recommendations to the City Commission for appointment:

Airport Advisory Board –Reappointment of Bob Groth, Kerry Zimmerman, and Dan Cammack. Appointment to fill a vacant position, Jeff Hancock.

Convention & Visitors Bureau – Reappointment for Hospitality, Erica Walsh.  
Reappointment for Attraction, Elaine Gall. Appointment for At-large, Monica Tieben.

Dodge City Planning Commission –Reappointment of Kristina Crawford, Tom Stanley, and Frank Rose

Golf Advisory Board – Reappointment of Jeff Hutton

Historic Landmark Commission – Reappointment of Dana Williamson

Housing Authority Board – Reappointment of Leland Kincaid, and Celia Enriquez

Library Board – Appointment of Pamela Brady and Michelle Reid

Parks and Recreation - Reappointment of Debra Pennington and Jeff McDaniel

Recycling Advisory Board – Reappointment of Cheryl Koontz and Julianne Kemmerer.  
Appointment of Jeanneth Quinonez.

Santa Fe Trail Community Corrections –Reappointment of Peggy Cecil and Leslie Lima