

**AGENDA**  
**JOINT CITY/COUNTY COMMISSION MEETING**  
**City Hall Commission Chambers**  
**Monday, October 21, 2019**  
**5:00 p.m.**  
**Meeting # 5137**

**CALL TO ORDER**

**COUNTY COMMISSION ROLL CALL:** Chairman Tasset

**CITY COMMISSION ROLL CALL:** Mayor Delzeit

**REPORTS**

**NEW BUSINESS**

1. "Why Not Dodge" Sales Tax Budget, Finance Director, Nicole May
2. City/County Agreement Regarding Nor-Am. Report by City Manager, Cherise Tieben
3. Amended Agreement with Triple T Promotions. Report by Assistant City Manager/Public Affairs Melissa McCoy
4. Fireworks Discussion, Report by City Manager, Cherise Tieben.

**UPCOMING MEETINGS:**

**EXECUTIVE SESSION**

1. Privileged Consultation with the City's Attorney

**ADJOURNMENT**

October 16, 2019

MEMO

TO: Cherise Tieben, City Manager

FROM: Nicole May, Finance Director

SUBJECT: 2020 Special Sales Tax Project Budget

In your packet of information is the Sales Tax Projects budget by summary. I will have the detailed budget available if any of the board members want to review it.

The Sales Tax Project Budget consists of 4 Funds:

1. Operating Fund – Which is the main fund that is broken down into five departments:
  - a. Field Sports
    1. Field Maintenance
    2. Concessions
    3. Tournament
  - b. Administration
  - c. Motor Sports
  - d. Special Events Center
  - e. Facilities Maintenance
  - f. Outdoor Regional Aquatics Facilities
2. Sales Tax Fund-Depreciation and Replacement
3. Sales Tax Fund-Organizational Funding
4. Debt Service Fund

### **SALES TAX PROJECT – OPERATING FUND**

The revenue that funds the Sales Tax Fund is a ½ cent City Sales Tax and a ½ County Sales Tax. Projected revenue in the Sales Tax Project Fund for 2020 is \$5,986,000. This is slightly higher than what was budgeted for 2019 and slightly higher than actual collections for 2018. There is also \$475,000 in revenues budgeted from the admissions, programs and concessions at the outdoor aquatics park. The other revenues that fund this budget are interest on idle funds, sign sponsorships, and athletic field sports revenue. Beginning in 2019, we have added the Sports Commission activity to the Sales Tax fund. This was added due to the main activities of the Sports Commission having to do with

sports tournaments. No sales tax funds will be used to fund the Sports Commission, the revenues generated by the tournaments hosted by the Sports Commission such as gate receipts, sponsorships and contributions from the Convention & Visitors are used to fund the activities.

The total Field Sports Operations budget for 2020 is \$750,470. The Field Sports Operations budget includes the Field Maintenance, Concessions, and Tournaments.

### **Field Maintenance**

The field sports budget includes:

Personal Services	\$261,487
Contractual	\$105,050
Commodities	\$95,100
Capital Outlay	\$0

The Personal Services, Contractual and Commodities line items reflect normal operating costs and reflect no major changes or increases from the 2019 budget. The Capital Outlay are proposed requests by the department. Due to budget constraints there are no capital outlay items budgeted for 2020.

### **Athletic Field Concessions**

There is no budgeted expenditure in 2020 for concessions. Request for proposals were solicited in 2015 and the contract for concessions at the baseball, softball and soccer fields was given to Ezequiel Alvarez owner and operator of Paleteria Rio Grande. The compensation back to the Sales Tax Projects Fund is 20 percent of gross revenues after taxes for concessions.

### **Athletic Fields Tournaments**

The tournament director position is budgeted at \$81,483 including salaries and benefits. There is also \$137,350 budgeted for Athletic Fields Tournaments. This amount includes \$25,000 for the A's mini camps plus \$90,000 for tournament umpires contract labor. Also, for 2019, we began showing the Sports Commission expenses under the Tournaments department due to athletic tournaments being the major activity of the Sports Commission. There are no sales tax funds used to fund the Sports Commission, an equal amount of revenue and expenses are budgeted.

### **Sales Tax Project Administration**

The Administration Division includes Administrative costs, legal fees and other, organizational funding, and debt service.

Included in the Administration budget is \$150,000 for City Administration costs. The budget for legal fees and other contractual costs is \$5,300. The organizational funding account is budgeted at \$710,000. The actual amount will need to be formally approved by the CFAB and City/County Commissions at a later date. \$3,357,567 is budgeted for debt. This reflects \$2,665,417 for the bonds issued to fund the Special Events Center and \$692,150 for the bonds issued to fund the aquatics facility. Due to budget constraints there currently is not an amount budgeted to transfer to the Depreciation and Replacement fund, if there are excess funds at the end of the year a transfer could be made at that time.

### **Special Events Center**

\$875,500 is budgeted for the operating costs of the Special Events Center and \$20,000 additional funding for an ice or hockey event if that event were to be scheduled. In addition to the operations budget an additional \$20,000 is being proposed for capital improvements. In addition to the operations of the Special Events Center \$40,000 is proposed for insurance for the United Wireless Arena and Conference Center and \$3,200 is budgeted for electricity for an LED sign.

The Business Plan for the United Wireless Arena for 2020 is also included in your packet.

### **Racetrack**

The Dodge City Raceway Park budget is \$359,200. This includes a contract with Triple T Promotions to conduct major events and local shows (approximately 12) in an amount not to exceed \$250,000. The actual amount is pending approval of the CFAB board. It also includes: temporary position during the racing season to take care of buildings and grounds; insurance; utilities; maintenance contract on the elevator; building maintenance; event clean up; and capital projects. Some maintenance items included in the proposed budget are plumbing and electric maintenance, replacement of lighting, repair of the LED sign, installation of gates under the grandstands. This amount also includes contractual lawn services for watering, mowing and trimming. Capital outlay is budgeted at \$7,300 for miscellaneous improvements.

### **Facilities Maintenance**

This was a new department that was added in 2011. It was found that the contracts with the operators of the facilities focused on the operation and maintenance of the facilities. The maintenance of the grounds is outside of those contracts, so we felt it was necessary to put resources into maintaining the landscaping and parking lots. This budget includes labor and materials necessary to maintain the grounds at the Special Events Center and is in the amount of \$23,500.

### **Outdoor Regional Aquatics Facilities**

\$565,000 is budgeted for the operating costs of the Regional Aquatics Park. This includes a management contract with StandGuard Aquatics in the amount of \$461,000, this is equal to what was paid to them in 2018. In addition to the operations budget an additional \$10,000 was budgeted for insurance and bonds, \$5,000 for building improvements, \$12,500 for chemicals and supplies and \$10,000 for equipment maintenance. City staff is currently evaluating the hours that the water park is open and also the length of the season to determine if changes need to be made.

### **SALES TAX FUND-DEPRECIATION AND REPLACEMENT**

In early 2010, the CFAB and City and County Commissions approved the establishment of a Depreciation and Replacement Fund for the Sales Tax Projects. The initial transfer into this fund was \$2,500,000, with an annual transfer of \$750,000. This Depreciation and Replacement Fund was set up to replace and/or improve all of the assets that were funded by the sales tax. As the discussion progressed regarding additional projects, several questions were asked as to whether or not the amount being transferred into this account was too much. We then reviewed the list of assets that were being depreciated and determined whether or not they would be replaced or if insurance would take care of the costs, or if they were completely wiped out, would they even be rebuilt or replaced. Toward that end, we took out all of the equipment, deciding when they needed replaced they would be paid for from the operating funds. We determined which parts of the buildings or complexes would actually need to be replaced or upgraded once they were worn out. After all of the items were reviewed, it was determined by staff that a more comfortable level would be at \$345,000 annually. Due to the addition of the aquatics park this amount was increased to \$645,000 in 2018. Due to the addition of the turf at the Legends complex the amount being proposed for 2019 has been increased to \$705,000 to be transferred from the Special Sales Tax Projects Fund to the Depreciation and Replacement Fund. The depreciation includes only the projects that were previously funded by the Special Sales Tax. Any additional projects that are added would result in an increase to this fund.

Included in the Capital Improvement budget for 2020 is a Swirl Bowl slide for the waterpark. The amount budgeted is \$600,000. This would be paid for from the Sales Tax – Depreciation and Replacement Fund. This is a project that we will need some guidance on whether you want to add a new slide at this time.

### **SALES TAX FUND-ORGANIZATIONAL FUNDING**

The Interlocal Agreement has a provision that up to 15% of the sales tax collected can be transferred into a special fund. The receipt and expenditure of these funds are a separate process, action by CFAB and the City and County Commissions approves the amount of money transferred into this fund. Applications are accepted and approved as to the amount of money spent on individual projects. The amount proposed to be transferred in 2019 is \$710,000.

## **SEC REVENUE BOND FUND**

This is a non budgeted fund and it accounts for the bond reserve that is required as the result of issuing revenue bonds for the events center and the aquatics facility. It also accounts for a monthly transfer from the operating fund and funds the interest and principal payments on the bonds when they are due.

I have included a graph which shows the outstanding amount of revenue bonds each year through 2035 as well as a graph that shows the payments due each year.

If you have questions or wish additional information, please let me know.

## SALES TAX FUND - SPECIAL PROJECTS

Fund Source: 1/2% City Sales Tax; 1/2% County Sales Tax.

Guidelines: On June 10, 1997, the voters went to the polls to approve a 1/2% Citywide Sales Tax and a 1/2% Countywide Sales Tax to fund Civic Center upgrades to air-conditioning and electrical, softball facilities and complex, a motor sports track, a special events center and other projects. 1/4% City and 1/4% County sales tax went into effect on October 1, 1997. The additional 1/4% City tax was added to fund these projects in January 2000, and the additional 1/4% County tax was added in June, 1999. Currently this fund is being funded at the full 1/2% City and 1/2% County Sales Taxes.

SALES TAX - SPECIAL PROJECTS	2018 Actual	2019 Budget or Estimate	2020 Budget
<i>Unreserved Fund Balance, January 1</i>	2,162,396	60,913	194,471
<b>Revenues:</b>			
Sales Tax	4,386,623	4,716,000	4,806,000
Sales Tax	1,163,795	1,180,000	1,180,000
Interest Income	7,146	20,000	20,000
Concessions	11,026	12,000	12,000
Field Rental	1,278	20,000	20,000
Other Athletic Field Inc	96,287	95,000	105,000
Sign Sponsorships			
Aquatics Park Revenue	490,057	475,000	475,000
Contributions & Donations	4,920	40,810	50,810
Sale of Scrap	7,020	0	13,000
Sports Commission	11,309	32,850	70,000
<b>TOTAL RECEIPTS</b>	<b>6,179,461</b>	<b>6,591,660</b>	<b>6,751,810</b>
<b>RESOURCES AVAILABLE</b>	<b>8,341,857</b>	<b>6,652,573</b>	<b>6,946,281</b>
<b>Expenditures</b>			
<b>FIELD SPORTS</b>			
<b>FIELD MAINTENANCE</b>			
Personal Services	214,354	265,061	261,487
Adj current salaries mid year + proposed raise			
Contractual	130,460	113,050	105,050
Commodities	106,503	82,850	95,100
Capital Outlay	<u>124,238</u>	<u>0</u>	<u>0</u>
Total - Field Maintenance	575,555	460,961	461,637
<b>TOURNAMENTS</b>			
Personal Services	74,097	82,960	81,483
Adj current salaries mid year + proposed raise			
Contractual	100,953	150,000	118,350
Sports Commission	15,151	0	70,000
Commodities	<u>6,162</u>	<u>19,000</u>	<u>19,000</u>
Total - Tournaments	196,363	251,960	288,833
<b>TOTAL FIELD SPORTS OPERATIONS</b>	<b>771,918</b>	<b>712,921</b>	<b>750,470</b>

<b>ADMINISTRATION</b>			
Contractual	810,325	815,300	865,300
Commodities	0	0	
Payment for Expo Center	0	0	
Aquatics Park (to be reimbursed)		0	
Transfer to Depreciation & Replacement Fund	0	0	
Series A & B - Debt Service (SEC-2009)	1,685,391	499,688	0
Series A 2015 - Debt Service (Water Park)	935,850	627,688	692,150
Series A 2016	1,768,959	1,833,655	2,665,417
Transfer to Event Fund	122,875		
Other Payments	<u>2,758</u>	<u>2,200</u>	<u>2,200</u>
<b>TOTAL - ADMINISTRATION</b>	<b>5,326,158</b>	<b>3,778,531</b>	<b>4,225,067</b>
<b>MOTOR SPORTS</b>			
Personal Services	9,574	10,800	10,800
Contractual	318,305	330,800	328,500
Commodities	13,644	14,100	12,600
Capital Outlay	0	15,300	7,300
Concessions	0	0	0
Reimbursed Expense	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL - MOTOR SPORTS OPERATIONS</b>	<b>341,523</b>	<b>371,000</b>	<b>359,200</b>
<b>SPECIAL EVENTS CENTERS</b>			
Contractual	1,092,438	895,500	895,500
Comm	136		
Insurance & Electrical	43,100	43,200	43,200
Capital Outlay	<u>84,790</u>	<u>53,000</u>	<u>20,000</u>
<b>TOTAL - SPECIAL EVENTS CENTER</b>	<b>1,220,464</b>	<b>991,700</b>	<b>958,700</b>
<b>SALES TAX PROJECTS-FACILITIES MAINTENANCE</b>			
Personal Services	11,866	16,150	16,200
Contractual	1,192	0	0
Commodities	<u>6,099</u>	<u>7,300</u>	<u>7,300</u>
<b>TOTAL-FACILITIES MAINTENANCE</b>	<b>19,157</b>	<b>23,450</b>	<b>23,500</b>
<b>Outdoor Regional Aquatics Facility</b>			
Personnel	0	0	0
Contractual	566,100	553,000	565,500
Insurance	0	10,000	10,000
Commodities	22,915	12,500	12,500
Improvements to Buildings	<u>12,709</u>	<u>5,000</u>	
<b>TOTAL-OUTDOOR REGIONAL AQUATICS FACILITY</b>	<b>601,724</b>	<b>580,500</b>	<b>588,000</b>
Merit salary raises			
<b>TOTAL EXPENDITURES</b>	<b>8,280,944</b>	<b>6,458,102</b>	<b>6,904,937</b>
<i>Unreserved Fund Balance, December 31</i>	<i>60,913</i>	<i>194,471</i>	<i>41,344</i>

**SALES TAX FUND-DEPRECIATION & REPLACEMENT**

<b>Sales Tax Fund-Depreciation &amp; Replacement</b>	<b>2018 Actual</b>	<b>2019 Budget or Estimate</b>	<b>2020 Budget</b>
<i>Unreserved Fund Balance, January 1</i>	1,549,930	1,474,262	1,164,262
Revenues:			
Transfer from Other Funds	12,500		
<b>TOTAL RECEIPTS</b>	<b>12,500</b>	<b>0</b>	<b>0</b>
<b>RESOURCES AVAILABLE</b>	<b>1,562,430</b>	<b>1,474,262</b>	<b>1,164,262</b>
Expenditures:			
Capital Outlay	88,168	310,000	600,000
<b>TOTAL EXPENDITURES</b>	<b>88,168</b>	<b>310,000</b>	<b>600,000</b>
<i>Unreserved Fund Balance, December 31</i>	1,474,262	1,164,262	564,262

**ST FUND - ORGANIZATIONAL FUNDING**

<b>ST - ORGANIZATIONAL FUNDING</b>	<b>2018 Actual</b>	<b>2019 Budget or Estimate</b>	<b>2020 Budget</b>
<i>Unreserved Fund Balance, January 1</i>	128,692	125,206	125,206
Revenues:			
Non-Govt Grants	0		
Sale of Labor and Material	0		
Transfer from General Fund	93,000	0	0
Transfer from Other Funds	660,000	710,000	710,000
<b>TOTAL RECEIPTS</b>	<b>753,000</b>	<b>710,000</b>	<b>710,000</b>
<b>RESOURCES AVAILABLE</b>	<b>881,692</b>	<b>835,206</b>	<b>835,206</b>
Expenditures			
Personal Services	101,766	0	0
Contractual	653,720	710,000	712,000
Commodities	1,000	0	1,000
Capital Outlay	0	0	
<b>TOTAL EXPENDITURES</b>	<b>756,486</b>	<b>710,000</b>	<b>713,000</b>
<i>Unreserved Fund Balance, December 31</i>	125,206	125,206	122,206

**Sales Tax Projects-Events Fund**

<b>Sales Tax Projects-Events Fund</b>	<b>2018 Actual</b>	<b>2019 Budget or Estimate</b>	<b>2020 Budget</b>
<i>Unreserved Fund Balance, January 1</i>	57,916	130,504	
Revenues:			
Contributions & Donations	32,213	0	0
Transfer from Other Funds	122,875		
<b>TOTAL RECEIPTS</b>	<b>155,088</b>	<b>0</b>	<b>0</b>
<b>RESOURCES AVAILABLE</b>	<b>213,004</b>	<b>130,504</b>	
Expenditures			
Contractual	82,500	0	0
Capital Expenditures	0		
<b>TOTAL EXPENDITURES</b>	<b>82,500</b>	<b>0</b>	<b>0</b>
<i>Unreserved Fund Balance, December 31</i>	130,504	130,504	

## DEBT SERVICE ACCOUNT

### ACCOUNT DESCRIPTION

In June of 1998, two series of Revenue Bonds were issued to fund the construction of projects voted on by the citizens Dodge City. Series A was issued in the amount of \$6,000,000 was issued to fund the construction of a fourplex softball complex, updates to the Cavalier Field baseball complex located behind Sheridan Activity Center, construction of soccer fields, addition of air-conditioning and mechanical and other updates to the Civic Center and updates to other baseball/softball fields in the community. Construction is complete on all of these projects. The Series A Revenue Bonds were paid off early when the new revenue bonds to fund the Special Events Center were issued.

Construction of the Motor Sports Complex was completed in 2000 and the bonds issued for financing the project were paid off in 2008.

New Revenue Bonds were issued in 2009 to fund the Special Events Center. The Revenue Bond was issued in the amount of \$40,300,000. A reserve fund and debt service fund was required to be set up.

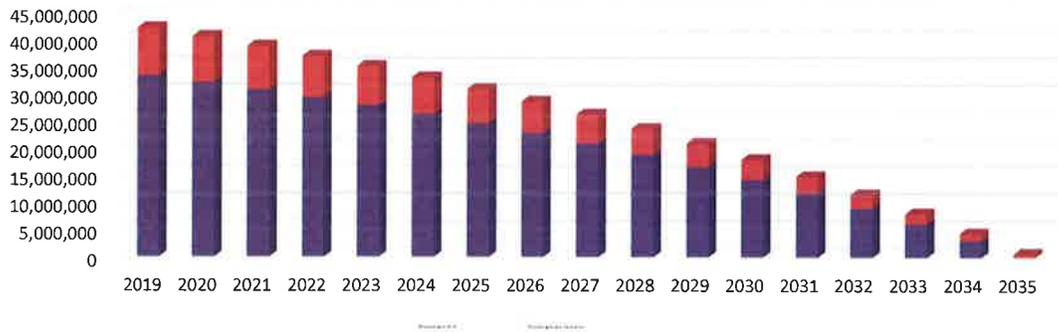
This account services the payment of annual principal and interest payments for those revenue bonds.

SEC Revenue Bond Fund	2018 Actual	2019 Budget or Estimate	2020 Budget
<i>Reserve for Debt Service</i>	312,050	1,410,897	
<i>Bond Reserve</i>	3,460,408	3,507,670	
Revenues:		Non Budgeted Fund	
Investment Earnings	225,578		
Other Financing			
Transfer from Other Funds	3,454,350		
<b>TOTAL RECEIPTS</b>	<b>3,679,928</b>	<b>0</b>	<b>0</b>
<b>RESOURCES AVAILABLE</b>	<b>7,452,386</b>		
Expenditures			
Debt - Principal	1,170,000		
Debt-Interest	1,363,819		
Debt Service Fees	0		
<b>TOTAL EXPENDITURES</b>	<b>2,533,819</b>	<b>0</b>	<b>0</b>
<i>Reserved Fund Balance, December 31</i>	<i>4,918,567</i>		

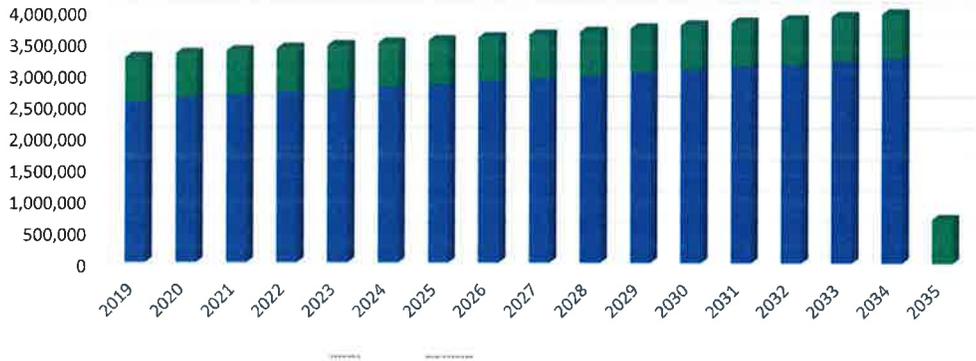
Water Park Revenue Bond Fund	2018 Actual	2019 Budget or Estimate	2020 Budget
Reserve for Debt Service	89,791	370,153	
Bond Reserve	700,879	656,663	
Revenues:		Non Budgeted Fund	
Investment Earnings	-15,329		
Transfer from Other Funds (for Debt Serv Pmts)	935,850		
Transfer from Other Funds (for Reserve Fund)			
<b>TOTAL RECEIPTS</b>	<b>920,521</b>	<b>0</b>	<b>0</b>
<b>RESOURCES AVAILABLE</b>	<b>1,711,191</b>		
Expenditures			
Debt - Principal	365,000		
Debt-Interest	319,375		
Debt Service Fees	0		
<b>TOTAL EXPENDITURES</b>	<b>684,375</b>	<b>0</b>	<b>0</b>
Reserved Fund Balance, December 31	1,026,816		

The graphs depict the annual payments as well as the outstanding bond amounts in future years.

Sales Tax Revenue Bonds Outstanding



Sales Tax Revenue Bond Payments



## AGREEMENT

**THIS AGREEMENT** (this "Agreement") is made as of the 21st day of October, 2019 (the "Effective Date"), between the City of Dodge City, Kansas (the "City") and Ford County, Kansas (the "County").

### RECITALS:

A. On October 7<sup>th</sup>, 2019 the City entered into a development agreement with Nor-Am Logistics South, LLC to develop a cold storage and processing facility (the "Project") on certain real property situated in Ford County, Kansas known as 2101 E. Trail St. and as more legally described on Exhibit A (the "Site").

B. Among other things, the development agreement calls for the design, construction, development, completion and operation of a 148,000 square foot facility, employing at minimum 80 full time employees and the relocation of the residential portion of the City street known as "McCaustland Road II".

C. As a result of the interaction between residential and commercial traffic on the existing McCaustland Road II, it is recommended for safety purposes to relocate the residential traffic to a new road as agreed upon by the City and the County.

D. The City anticipates that General Obligation Bonds will be issued to cover the cost of the relocation of the residential portion of McCaustland Road II. The County has agreed, subject to the terms and conditions set forth in this Agreement, to pledge the County's portion of the incremental ad valorem property taxes collected from the Project (the "County Property Taxes") to support the repayment of the City General Obligation Bonds issued, sold and delivered to pay for the eligible costs of the Project.

E. The parties hereto do now desire to make and enter into this Agreement.

## AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and the mutual promises and covenants contained herein, the City and the County hereby agree as follows:

1. **RECITALS.** The recitals as set out above are hereby fully incorporated by this reference.

2. **PLEDGE OF COUNTY INCREMENTAL PROPERTY TAXES.** The County hereby agrees to pledge, for a period of time commencing on January 1, 2021 and ending with the payment of the second half of County Property Taxes for the Site for the 2031 tax year (the "Collection Period"), the County Property Taxes to the extent that the same are greater than the Base Year Taxes (as defined below). The pledge of the County Property Taxes may be structured as a rebate, as an annual appropriation, or in such other manner as may be acceptable to the City

and the County, but all such revenues shall be used by the City to pay for costs related to the design, development and construction of the relocated McCaustland Road II (the "Road Relocation"). For purposes hereof, the "Base Year Taxes" shall be the ad valorem real property taxes generated by levy on the January 1, 2020 taxable valuation of the Site, as determined by the County. Notwithstanding the foregoing, the City and the County hereby agree that the County shall not be required to provide more than the lesser of (1) the actual cost of the Road Relocation or (2) the actual County Property Taxes for the Site collected during the Collection Period (the "Property Tax Cap"); if and to the extent that the Property Tax Cap is reached prior to the end of the Collection Period, the County shall not be required to provide additional County Property Taxes as described herein thereafter.

4. **REVIEW AND MODIFICATION.** This Agreement may be reviewed at the request of either the City or the County and may be amended only by the mutual consent and agreement of such parties, expressed in writing, dated and signed.

5. **PRIOR AGREEMENTS.** This Agreement constitutes the entire understanding and agreement between the parties with respect to the pledge of the County Incremental Property Taxes, and hereby supersedes all prior agreements, negotiations and discussions concerning any matter contained herein.

6. **EFFECTIVE DATE.** This Agreement shall take effect upon its execution and delivery.

7. **BINDING EFFECT.** This Agreement shall be binding upon and extend to the benefit of both the City and County Commissions, and their respective successors and assigns.

8. **VENUE.** Should any dispute result in litigation concerning the validity or interpretation of this Agreement, venue for such action shall be in the District Court of Ford County, Kansas.

9. **APPLICABLE LAW.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Kansas.

10. **SEVERABILITY.** If any section, subsection or clause in this Agreement shall be determined by a court of competent jurisdiction to be invalid for any reason whatsoever, such decision shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect.

11. **APPROVAL AND AUTHORIZATION.** Each of the City and the County represents and warrants by its execution of this Agreement that said Agreement has been properly approved by such party's Commission and by its legal counsel, and that the execution, delivery and performance of this Agreement by such party has been authorized by resolution duly adopted by its Commission, and that this Agreement constitutes the legal, valid and binding obligation of such party and is enforceable in accordance with its terms.

**IN WITNESS WHEREOF,** the parties hereto have executed these presents as of the day and year first above written.

**THE COUNTY:**

**FORD COUNTY, KANSAS**

By: \_\_\_\_\_  
\_\_\_\_\_, Commissioner

By: \_\_\_\_\_  
\_\_\_\_\_, Commissioner

By: \_\_\_\_\_  
\_\_\_\_\_, Commissioner

STATE OF KANSAS                    )  
  ) SS.  
COUNTY OF FORD                 )

This instrument was acknowledged before me on \_\_\_\_\_, 2019,  
by \_\_\_\_\_ as \_\_\_\_\_ of Ford County, Kansas.

Printed Name: \_\_\_\_\_  
Notary Public in and for said State  
Commissioned in Ford County

My commission expires

\_\_\_\_\_

**THE CITY:**

**THE CITY OF DODGE CITY, KANSAS**

By: \_\_\_\_\_  
\_\_\_\_\_, Mayor

STATE OF KANSAS                    )  
  ) SS.  
COUNTY OF FORD                    )

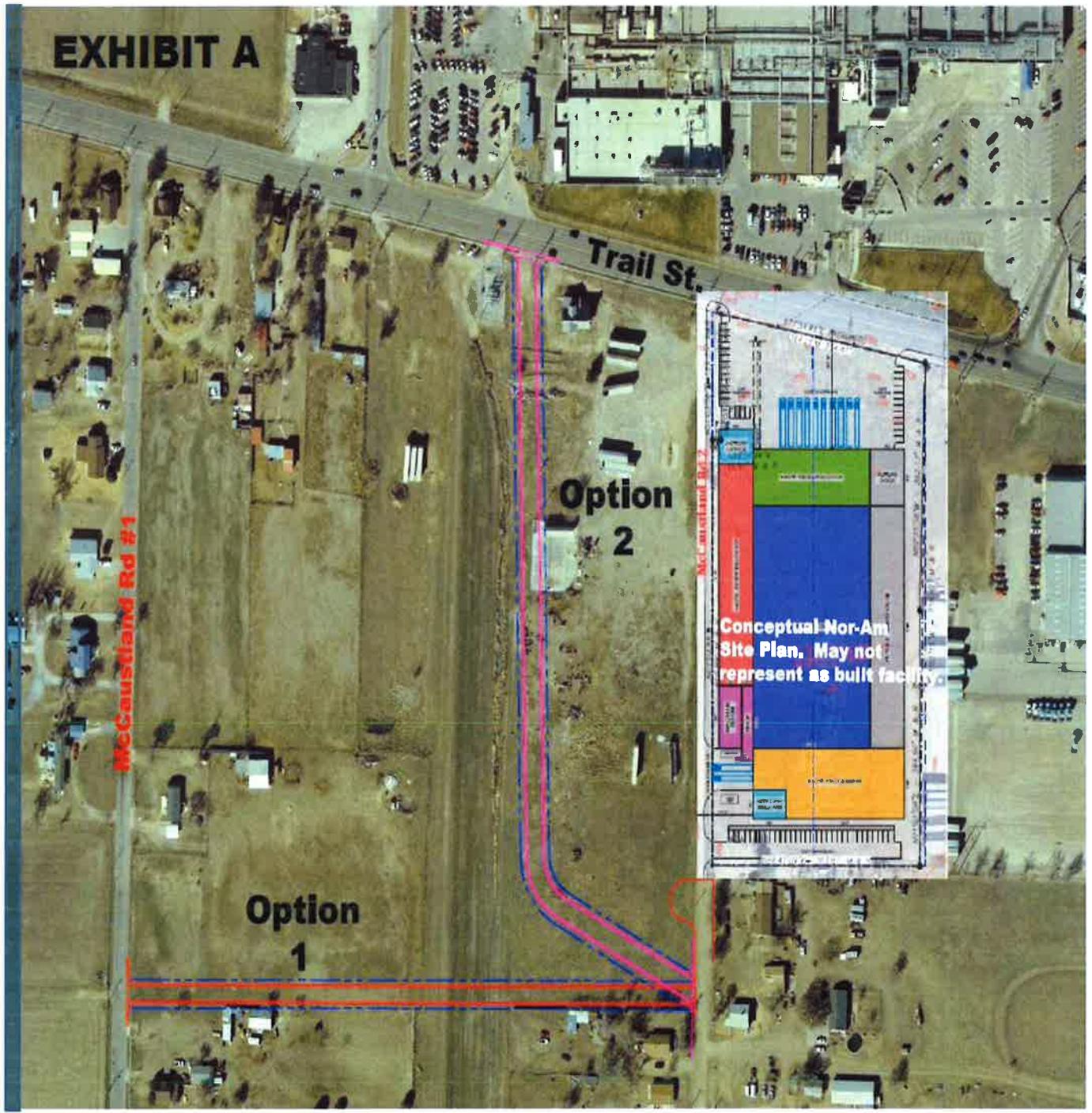
This instrument was acknowledged before me on \_\_\_\_\_, 2019,  
by Brian Delzeit as Mayor of Dodge City, Kansas.

Printed Name: \_\_\_\_\_  
Notary Public in and for said State  
Commissioned in Ford County

My commission expires

\_\_\_\_\_

# EXHIBIT A





**City of Dodge City**

**CFAB**

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PO Box 880

• Dodge City KS 67801 •

Phone: 620/225-8160

• Fax:

620/225-8144

## *Memorandum*

To: Joint Commissions  
From: Assistant City Manager, Melissa McCoy  
Date: October 17, 2019  
Subject: Amendment to Triple T Promotions  
agreement for the DCRP

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**Recommendation:** Staff recommends approval of an amendment to the agreement with Triple T Promotions for the Dodge City Raceway Park. This amendment will change how the current subsidy is distributed and instead of four equal payments the subsidy will be divided into nine payments from January to October.

**Background:**

Per the current agreement, the operator, Triple T Promotions, receives a subsidy for all events, both major and local. The current subsidy is \$200,000 with an additional \$25,000 per day if the World of Outlaws Show is held. However, the DCRP operator approached the City about spreading the subsidy out over more frequent payments to meet the demands of operations and the initial startup costs for the racing season.

**Justification:** The Operator has successfully operated the track over the last several years and the greater frequency in the distribution of payments will aid him in operations.

**Financial Considerations:** This amendment will not change the current subsidy. There will not be a World of Outlaws Show in 2020 so the subsidy will be \$200,000 and it will be divided as follows and \$40,000 January

- \$20,000 March
- \$15,000 April
- \$15,000 May
- \$30,000 June
- \$20,000 July
- \$20,000 August
- \$20,000 September
- \$20,000 October

Payments totaling \$200,000 will be issued after the first commission meeting of the month.

**Legal Considerations:** Legal counsel has prepared the attached amendment to the existing agreement with Triple T promotions for the operation of the DCRP.

**Attachments:**

2020 DCRP Schedule

DCRP 2019 Comparison Report

Amendment to the Triple T Promotions agreement for the DCRP



## 2020 Schedule

March 21 – Practice Night, plus Little DCRP

April 4 – Weekly Racing Series

April 5 – Little DCRP

April 18 – 2<sup>nd</sup> Annual Stock Car Shootout

April 19 – Little DCRP

May 2 – Weekly Racing Series

May 3 – Little DCRP

May 16 – Weekly Racing Series / Hobby Stock Roundup (Armed Forces Night)

May 17 – Little DCRP

June 6 – Weekly Racing Series

June 7 – Little DCRP

June 18 – Sprint Car Nationals (DCRP/URSS/SSO, Modified Practice, KARS)

June 19 – Sprint Car Nationals (DCRP/URSS/SSO, 8<sup>th</sup> Annual Modified Stampede heats/qualifiers, KARS)

June 20 – Sprint Car Nationals (DCRP/URSS/SSO, 8<sup>th</sup> Annual Modified Stampede, KARS)

July 3 – TBA

July 4 – TBA

July 18 – Weekly Racing Series

July 19 – Little DCRP

July 24 – Weekly Racing Series (Driver/Fan Appreciation Night)

July 25 – Little DCRP

August 8 – Weekly Racing Series

August 9 – Little DCRP

August 15 – 7<sup>th</sup> Annual Sport Mod Mayhem (North/South Duel)

August 16 – Little DCRP

September 19 – 8<sup>th</sup> Annual Jerry Soderberg Championship Night (DCRP/URSS Sprints, plus all other Weekly Racing Series classes)

September 20 – Little DCRP

**Weekly Racing Series** – DCRP Sprints, IMCA Hobby Stocks, IMCA Stocks, IMCA Sport Modifieds, IMCA Modifieds

**Little DCRP** – Winged “A” Class, Non-wing “A” Class, Restricted, Jr. Sprint (Novice), Jr. Sprint (Advanced), Kid Karts, Adult Karts, Open Karts

**URSS** – United Rebel Sprint Series

**SSO** – Sprint Series of Oklahoma

**KARS** – Kansas Antique Racers

## DODGE CITY RACEWAY PARK CAR COUNT & ATTENDANCE COMPARISON 2017, 2018, 2019

2017	Car Count	Attendance
April 15 – Weekly Series	98	1417
April 29 – Weekly Series (cancelled)	0	0
May 6 – Modified Stampede	102	1047
June 3 – Stock Car Spectacular (cancelled)	0	0
June 16 – Sprint Car Nationals	54	921
June 17 – Sprint Car Nationals	67	1110
July 1 – Weekly Series	62	825
July 15 – Weekly Series	71	846
July 28 – Driver Appreciation Night	93	4872
August 19 – Sport Modified Mayhem	65	844
September 16 – Weekly Series	80	1052
October 27 – World of Outlaws (cancelled)	0	0
October 28 – World of Outlaws (cancelled)	0	0

2018	Car Count	Attendance
March 31 – Weekly Series (cancelled)	0	0
April 7 - Weekly Series (cancelled)	0	0
April 21 – Modified Stampede (rescheduled)	0	0
May 5 - Weekly Series	88	1233
May 19 – Modified Stampede	91	1069
May 26 - Weekly Series	72	1006
June 8 – USMTS Modifieds	84	976
June 15 – Sprint Car Nationals	51	633
June 16 – Sprint Car Nationals	64	1024
June 30 - Weekly Series	88	971
July 14 - Weekly Series	60	675
July 27 – Driver Appreciation Night	86	5352
August 18 – Sport Modified Mayhem	63	694
August 25 - Weekly Series	72	835
September 1 - Weekly Series	64	791
September 15 – Soderberg Memorial Night	82	1007
September 22 - Enduro	16	574
October 20 – World of Outlaws	46	1709

2019	Car Count	Attendance
April 6 – Weekly Series	108	1072
April 27 – Modified Stampede	70	804
May 4 – Stock Car Shootout	92	807
May 18 – Weekly Series (rained out)	0	0
June 1 – Weekly Series	69	773
June 13 – Sprint Car Nationals	83	604
June 14 – Sprint Car Nationals	77	705
June 15 – Sprint Car Nationals	74	1073
June 29 – Weekly Series	61	695
July 6 – Enduro (cancelled)	0	0
July 13 – Sooner Late Model Series	56	846
July 20 – Weekly Series	68	804
July 26 – Driver Appreciation Night	71	5546
August 24 – Sport Modified Mayhem	84	891
September 14 – Soderberg Memorial Night	97	1123
September 20 – World of Outlaws	40	1494
September 21 – World of Outlaws	38	2351

## SECOND AMENDMENT TO AGREEMENT

THIS SECOND AMENDMENT TO AGREEMENT (the “**Amendment**”) is made to be effective this \_\_\_\_ day of October, 2019 by and between Triple T Promotions, LLC (the “**Operator**”) and the City of Dodge City, Kansas (the “**City**”).

WHEREAS, the City and the Operator entered into that certain Agreement effective as of January 1, 2016, (the “**Agreement**”), in connection with providing promotion and operation of the Facility; and

WHEREAS, the City and the Operator entered into a First Amendment to the Agreement dated January 1, 2018; and,

WHEREAS, the City and the Operator have reviewed and considered the performance of the racetrack including historical attendance and participation levels to date; and

WHEREAS, the City and the Operator desire to further amend the Agreement to adjust the timing of the distribution of the subsidy payments herein recited.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, the City and the Operator hereby agree as follows:

1. Defined Terms. Words and phrases having a defined meaning in the Agreement shall have the same respective meanings when used herein unless otherwise expressly stated.

2. Property. The City and the Operator hereby agree to delete Paragraph 14 Section B of the Agreement and replace it with the following:

14. **CONSIDERATION FOR PROMOTIONAL AND OPERATIONAL SERVICES:**

In consideration of the promotional and operational services to be provided by the Operator in accordance with terms and conditions as set forth in the Paragraph 13 above, the City, in addition to any other payment obligation provided for herein, shall make payments to the Operator from sales tax revenues received pursuant to the Inter-local Agreement, in the time and manner following:

- a. The City and the Operator shall negotiate the dates for payment of the subsidy prior to each season starting.
- b. The subsidy will be divided into nine (9) payments to be made on nine (9) separate dates. The payment schedule and the amounts are detailed in Attachment A.

- c. The Operator shall provide to the City all attendance and car count information prior to the final subsidy payment. The first subsidy payment of the next racing season shall not be disbursed prior to receipt of the financial information being received for the previous year. See Paragraph 18 below.
- d. Subsidy for all events, major and local should not exceed the following amounts:

2016-Two Hundred Thousand Dollars (\$200,000)

2017- One Hundred Ninety-Five Thousand Dollars  
(\$195,000)

2018- Two Hundred Fifty Thousand Dollars (\$250,000)

2019- Two Hundred Fifty Thousand Dollars (\$250,000)

2020- Two Hundred Fifty Thousand Dollars (\$250,000)

3. Ratification of Agreement. Except as specifically modified by this Amendment, the provisions of the Agreement shall remain in full force and effect, unchanged and unmodified by this Amendment, and the Agreement, as modified by this Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

4. Counterparts/Execution. The Agreement, this Amendment and any future amendments thereto or other agreements between the parties may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. Each counterpart may be delivered by facsimile transmission, or in electronic format via email as a “.pdf” file, and said facsimile and/or electronically transmitted signature shall be deemed to have the same force and effect as an original signature counterpart. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto.

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IN WITNESS WHEREOF, the parties hereto have affixed their signatures as of the date and year first above written.

**OPERATOR:**

TRIPLE T PROMOTIONS, LLC

By \_\_\_\_\_  
Tommie Estes, Managing Member

**CITY:**

THE CITY OF DODGE CITY, KANSAS

By: \_\_\_\_\_  
Name: Brian Delzeit  
Title: Mayor

## **ATTACHMENT A:**

### **2020 Payment Schedule:**

- \$40,000 January
- \$20,000 March
- \$15,000 April
- \$15,000 May
- \$30,000 June
- \$20,000 July
- \$20,000 August
- \$20,000 September
- \$20,000 October

All Payments totaling \$200,000 will be made to the Operator by the City following the first City Commission meeting of the corresponding month.