

CITY COMMISSION MEETING AGENDA

City Hall Commission Chambers

Monday, March 18, 2024

7:00 p.m.

MEETING # 5275

Public is welcome although seats are limited for social distancing; or you can view as follows:

1. Watch live on our Facebook page at www.facebook.com/cityofdodgecity

2. Or watch it on our Vimeo page at www.vimeo.com/cityofdodgecity.

The meeting will be archived on both sites to be viewed after the live video has ended.

CALL TO ORDER

ROLL CALL

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

PLEDGE OF ALLEGIENCE

APPROVAL OF AGENDA

PETITIONS & PROCLAMATIONS

Presentation of National League of Cities Cultural Diversity Award, Report by City Manager Nick Hernandez

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, March 4, 2024.
2. Appropriation, Ordinance No. 7, March 1, 2024.
3. Cereal Malt Beverage License:

ORDINANCES & RESOLUTIONS

Resolution No. 2023-03: A Resolution of the Governing Body of the City of Dodge City, Kansas Requesting the Board of County Commissioners of Ford County, Kansas Make a Finding for the Annexation Certain Land Pursuant to K.S.A.-12-520C(a)(3). Report by Nathan Littrell, Planning and Zoning Administrator.

Resolution No. 2024-04: A Resolution Establishing Fees and Rates for Water Utility Services for the City of Dodge City. Report by Nicole May, Finance Director.

Resolution No. 2024-05: A Resolution Establishing Fees and Rates for Sanitary Sewer Service for the City of Dodge City. Report by Nicole May, Finance Director.

Resolution No. 2024-06: A Resolution Establishing Fees and Rates for Solid Waste Collection Service in the City of Dodge City. Report by Nicole May, Finance Director.

Resolution No. 2024-07: A Resolution Establishing Fees and Rates for Storm Water Utility Service for the City of Dodge City. Report Nicole May, Finance Director.

UNFINISHED BUSINESS

NEW BUSINESS

1. Approve Change Order (CO) #1 for the Southbound 14th Ave. Bridge. Report by Ray Slattery, Director of Engineering.
2. Approve the Purchase of a Lenco Bear Cat Emergency Rescue Vehicle for Dodge City Police Department. Report by Drew Francis Chief of Police.
3. Approval of Advisory Board and Commission Appointments. Report by Nick Hernandez, City Manager.
4. Approval to Purchase a EZ-Liner Pait Striper for Public Works. Report by Corey Keller, Public Works Director.
5. Approval to Purchase a new Emco Style Trash Truck to be utilized by the Sanitation Department. Report by Corey Keller, Public Works Director.
6. Approval of Agreement with Baker Tilly to provide Comprehensive Prevailing Wage & Apprenticeship Compliance Management. Report by Tanner Rutschman, City Engineering.

OTHER BUSINESS

STAFF REPORTS

ADJOURNMENT



Memorandum

To: City Commission

From: City Manager Nick Hernandez and Assistant City Manager, Melissa McCoy

Date: March 18, 2024

Subject: National League of Cities Cultural Diversity Award

Agenda Item: Petitions and Proclamations

Purpose: Present the National League of Cities (NLC) award to the City of Dodge City Commission for the 2024 City Cultural Diversity Awards.

Background: The City of Dodge City was recognized at the NLC Congressional City Conference in Washington, D.C., on March 11 for our leadership in promoting inclusivity and diversity as a core value of our city. The City was awarded second place in the Population under 50,000 for our innovative program: *Engage Dodge*.

Engage Dodge is an interactive civic education initiative designed to familiarize participants with our City services and dedication to citizens and employees. The program offers insights into City departments, budgets, and community impact. Participants gain awareness of local government, advocacy channels, civic engagement, and volunteer opportunities. The program concludes with attendees experiencing a City Commission meeting. The program encourages understanding, fosters communication between citizens and City staff, and promotes civic responsibility and professional or personal development. This program is offered in both English and Spanish and the next seven-week session begins on April 2.

The NLC celebrates leadership in developing effective programs to improve cultural diversity within local communities across the United States. Submissions for the program were grouped by population and evaluated for creativity, community impact and program scope.

Mission/Values: This meets with the City's Core Value of "*Together we serve to make Dodge City the best place to be*" and our Mission Statement of "*Together we promote open communications with our community members to improve quality of life and preserve our heritage to foster a better future.*"

Attachments:

City of Dodge City NLC Award Media Release

Approved for the Agenda by:

Nickolaus J. Hernandez, City Manager



Media Contact:
Collin Clark
620-225-8100
collinc@dodgecity.org

March 12, 2024

FOR IMMEDIATE RELEASE

**CITY OF DODGE CITY
RECOGNIZED BY THE NATIONAL
LEAGUE OF CITIES FOR
INNOVATIVE DIVERSITY
PROGRAM**



Dodge City, Kansas – The City of Dodge City earns an honorable mention in the National League of Cities (NLC) 2024 City Cultural Diversity Awards, celebrating leadership in developing effective programs to improve cultural diversity within local communities.

Submissions for the program were grouped by population and evaluated for creativity, community impact and program scope. City of Dodge City was awarded second place in the Population under 50,000 for its innovative program: Engage Dodge.

"The City of Dodge City is deeply honored to receive an honorable mention and secure 2nd place in the 2024 City Cultural Diversity Awards, presented by the National League of Cities (NLC)," City Manager Nick Hernandez expressed. "Engage Dodge is a cornerstone program that champions cultural diversity. Our commitment remains steadfast in evolving this program and upholding the highest standard of service as we continue to make Dodge City the best place to be."

"Congratulations to the winning municipalities of NLC's Cultural Diversity Awards," said **NLC President and Mayor of Rancho Cordova, CA, David Sander**. "This year's award holds special significance as NLC celebrates 100 years of strengthening cities, towns and villages across the country. Your leadership in promoting inclusivity and diversity as a core value of your city is an essential step toward cultivating more equitable and inclusive communities all over America in the next century."

Winners were recognized at NLC's 2024 Congressional City Conference in Washington, D.C., held in March. To learn more about the [NLC City Cultural Diversity Award winners](http://www.nlc.org), visit www.nlc.org.

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About the National League of Cities The [National League of Cities \(NLC\)](http://www.nlc.org) is the voice of America's cities, towns and villages, representing more than 200 million people. NLC



works to strengthen local leadership, influence federal policy and drive innovative solutions.

Contacto de Medios:
Collin Clark
620-225-8100
collinc@dodgecity.org

12 de marzo de 2024

PARA PUBLICACIÓN INMEDIATA

LA CIUDAD DE DODGE CITY RECONOCIDA POR LA LIGA NACIONAL DE CIUDADES POR SU PROGRAMA DE DIVERSIDAD INNOVADOR

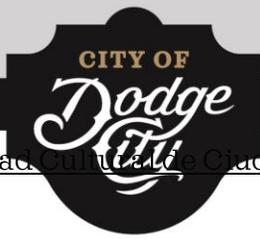
Dodge City, Kansas - La Ciudad de Dodge City recibe una mención honorífica en los Premios a la Diversidad Cultural de Ciudades 2024 de la Liga Nacional de Ciudades (NLC), celebrando el liderazgo en el desarrollo de programas efectivos para mejorar la diversidad cultural dentro de las comunidades locales.

Las postulaciones para el programa se agruparon por población y se evaluaron por su creatividad, impacto comunitario y alcance del programa. La Ciudad de Dodge City fue galardonada con el segundo lugar en la Población bajo 50,000 por su programa innovador: Engage Dodge.

"La Ciudad de Dodge City se siente profundamente honrada de recibir una mención honorífica y asegurar el 2do lugar en los Premios a la Diversidad Cultural de Ciudades 2024, presentados por la Liga Nacional de Ciudades (NLC)", expresó el administrador de la ciudad, Nick Hernandez. "Engage Dodge es un programa fundamental que aboga por la diversidad cultural. Nuestro compromiso permanece firme en evolucionar este programa y mantener el más alto estándar de servicio mientras continuamos haciendo de Dodge City el mejor lugar para estar".

"Felicitaciones a los municipios ganadores de los Premios a la Diversidad Cultural de la NLC", dijo el **presidente de la NLC y alcalde de Rancho Cordova, CA, David Sander**. "El premio de este año tiene un significado especial ya que la NLC celebra 100 años de fortalecimiento de ciudades, pueblos y aldeas en todo el país. Su liderazgo en la promoción de la inclusividad y diversidad como un valor central de su ciudad es un paso esencial hacia la creación de comunidades más equitativas e inclusivas en todo Estados Unidos en el próximo siglo".

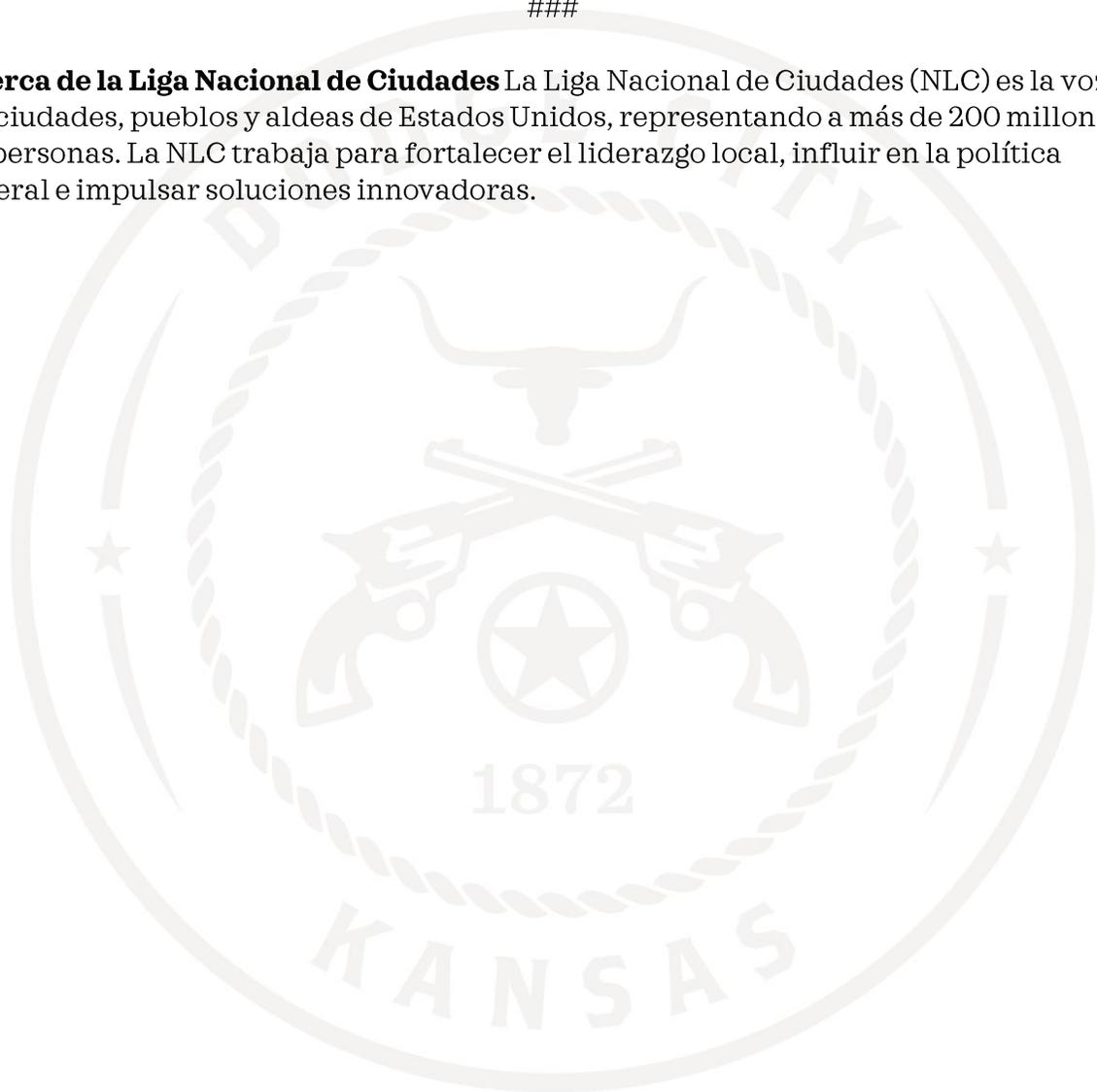
Los ganadores fueron reconocidos en la Conferencia de la Ciudad Congressional de la NLC 2024 en Washington, D.C., celebrada en marzo. Para aprender más sobre los



ganadores del Premio a la Diversidad Cultural de Ciudades de la NLC, visite www.nlc.org.

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Acerca de la Liga Nacional de Ciudades La Liga Nacional de Ciudades (NLC) es la voz de las ciudades, pueblos y aldeas de Estados Unidos, representando a más de 200 millones de personas. La NLC trabaja para fortalecer el liderazgo local, influir en la política federal e impulsar soluciones innovadoras.



CITY COMMISSION MEETING MINUTES

City Hall Commission Chambers

Monday, March 4, 2024

7:00 p.m.

MEETING # 5274

Public is welcome although seats are limited for social distancing; or you can view as follows:

1. Watch live on our Facebook page at www.facebook.com/cityofdodgecity

2. Or watch it on our Vimeo page at www.vimeo.com/cityofdodgecity.

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CALL TO ORDER

ROLL CALL Mayor Chuck Taylor, Commissioners Jeff Reinert, Rick Sowers, Michael Burns, Daniel Pogue

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

PLEDGE OF ALLEGIENCE

APPROVAL OF AGENDA

Commissioner Jeff Reinert moved to approve the agenda as presented. Commissioner Daniel Pogue seconded the motion. The motion carried unanimously.

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, February 19, 2024.
2. Appropriation, Ordinance No. 6, 2024.
3. Cereal Malt Beverage License:
 - a. Kwik Shop, 1811 Central Avenue.
 - b. Kwik Shop, 1500 W. Wyatt Earp Blvd.
 - c. El Korita Restaurant, 2001 W. Wyatt Earp Blvd.

Commissioner Michael Burns moved to approve the consent calendar as presented. Commissioner Jeff Reinert seconded the motion. The motion carried unanimously.

ORDINANCES & RESOLUTIONS

Ordinance No. 3809: An Ordinance of the City of Dodge City, Kansas amending the official zoning map of the City, changing the property located at 1712 Avenue E, from R-3 residential higher density to C-2 commercial highway was approved on a motion by Commissioner Rick Sowers. Commissioner Jeff Reinert seconded the motion. The motion carried unanimously.

UNFINISHED BUSINESS

NEW BUSINESS

1. Commissioner Michael Burns moved to approve to purchase a 2024 Equinox from Lewis Chevrolet in the amount of \$31,230 for Engineering Department. Commissioner Daniel Pogue seconded the motion. The motion carried unanimously.
2. Commissioner Michael Burns moved to approve the Change Order #1 to relocate four 15" irrigation lines from the irrigation pump stations in the amount of \$149,638. Commissioner Daniel Pogue seconded the motion. The motion carried unanimously.

OTHER BUSINESS

STAFF REPORTS

ADJOURNMENT

Commissioner Daniel Pogue moved to adjourn the meeting. Commissioner Jeff Reinert seconded the motion. The motion carried unanimously.

ATTEST:

Mayor

City Clerk



Memorandum

To: Nick Hernandez, City Manager and City Commissioners

From: Nathan Littrell, Planning & Zoning Administrator

Date: March 18, 2024

Subject: Annexation of Property

Agenda Item: Resolution 2024-03

Purpose: This resolution requests that the Ford County Commission, by a 2/3 vote of members thereof, find and determine that the annexation of this land will not hinder or prevent the proper growth and development of the area or that of any other incorporated city located within the County.

Recommendation: It is City Staff's recommendation to approve this resolution.

Background: This property proposed for annexation is owned by Lineage Logistics, LLC, is currently vacant and is outside the City limits. Lineage Logistics, in partnership with Cargill Meat Solutions, is looking to expand their operation and need to expand. Their current property is location within the City limits. In order to avoid having a property and building that is partially inside and outside of the City limits, the additional property will need to be annexed. Since this property is located in the same county as the City and has been petitioned by the property owners for annexation, in accordance with K.S.A. 12-520c, the board of County Commissioners, by a 2/3 vote of members thereof, must find and determine that the annexation of the land will not hinder or prevent the proper growth and development of the area or that of any other incorporated city located within the County.

City Commission Options:

1. Approve
2. Disapprove
3. Disapprove with recommended revisions
4. Table for further discussion

Financial Considerations: None

Legal Considerations: None

Mission/Values: Approving this resolution will encourage and support growth and development in our community.

Attachments: Resolution, Map

RESOLUTION NO. 2024-03

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS REQUESTING THE BOARD OF COUNTY COMMISSIONERS OF FORD COUNTY, KANSAS MAKE A FINDING FOR THE ANNEXATION CERTAIN LAND PURSUANT TO K.S.A. § 12-520c(a)(3).

WHEREAS, Lineage Logistics, LLC is the owner of such tract contained within the real property described below (the "Property") located in Ford County, Kansas(the "County"); and,

WHEREAS, the Property is located within the same Ford County; and,

WHEREAS, pursuant to K.S.A. 12-520c, the City intends to annex the Property and finds that such annexation is advisable, desirable, beneficial, and in the interest of the public; and,

WHEREAS, pursuant to K.S.A. 12-520c(a)(3) the City requests by resolution that the County Commissioners make a finding on this annexation.

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

SECTION 1. The Governing Body of the City hereby indicates its intent to annex the following property into the boundaries of the City:

A tract of land in the Southwest Quarter of Section 33, Township 26 South, Range 24 West of the Sixth Principal Meridian, Ford County, Kansas described as follows:

Beginning at a point that is N 00°29'36" E 600.00 feet from the Southwest Corner of the Southwest Quarter of said Section 33; thence N 00°29'36" E 300.00 feet; thence S89°38'40" E 350.00 feet; thence S 00°29'36" W 300.00 feet; thence N 89°38'40" W 350.00 feet to the point of beginning. Containing approx. 2.4 acres.

Except and subject to special assessments, easements, restrictions, and reservations of record.

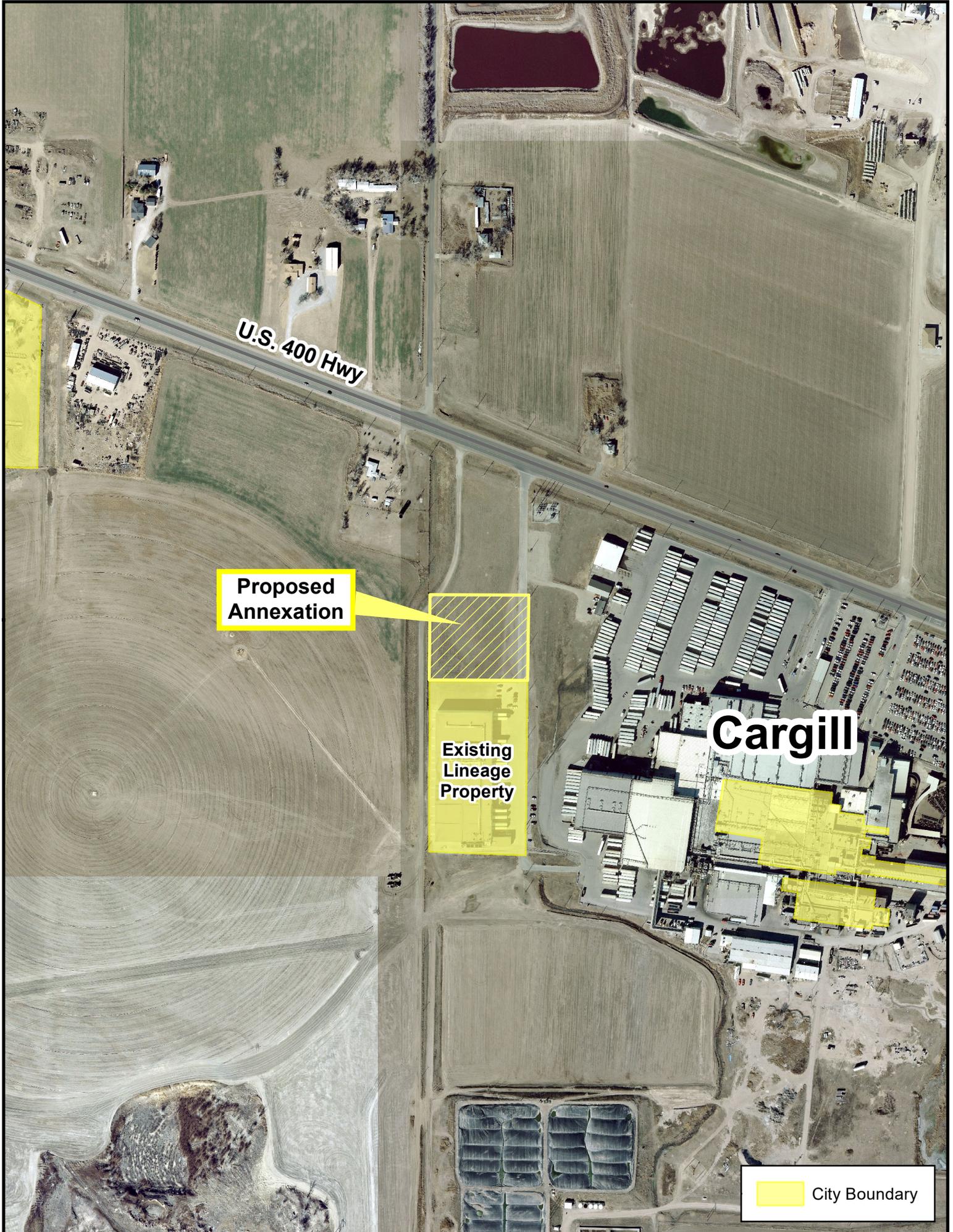
SECTION 2. Pursuant to K.S.A. 12-520c (a)(3), the board of county commissioners of Ford County, by a 2/3 vote of the members thereof, find and determine that the annexation of the land will not hinder or prevent the proper growth and development of the area or that of any other incorporated city located within the county. (c) The city clerk shall file a certified copy of the resolution with the board of county commissioners who shall, within 30 days following the receipt of the resolution, make findings and notify the governing body of the city of the board's decision.

PASSED by the City Commission and APPROVED March 18, 2024.

CHUCK TAYLOR, MAYOR

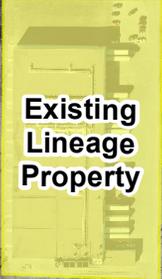
ATTEST:

CONNIE MARQUEZ, CITY CLERK



U.S. 400 Hwy

Proposed Annexation



Existing Lineage Property

Cargill

City Boundary

**BEFORE THE CITY COMMISSION OF THE CITY OF DODGE CITY, KANSAS
PETITION FOR ANNEXATION OF CERTAIN REAL ESTATE**

COMES NOW Lineage Logistics, LLC, a Delaware limited liability company ("Lineage"), Lineage hereby petitions the City Commission of the City of Dodge City, Kansas to annex into the City of Dodge City, Kansas certain real estate situated within the existing address of 3201 West U.S. Highway 400, more specifically described herein, and respectfully allege and state as follows:

1. That the undersigned is the Vice President of Real Estate for Lineage and Lineage presently intends to acquire the following described real estate located in Ford County, Kansas:
A tract of land in the Southwest Quarter of Section 33, Township 26 South, Range 24 West of the Sixth Principal Meridian, Ford County, Kansas described as follows:
Beginning at a point that is N 00°29'36" E 600.00 feet from the Southwest Corner of the Southwest Quarter of said Section 33; thence N 00°29'36" E 300.00 feet; thence S89°38'40" E 350.00 feet; thence S 00°29'36" W 300.00 feet; thence N 89°38'40" W 350.00 feet to the point of beginning. Containing approx. 2.4 acres.
2. The above-described real estate adjoins parcel number 029-098-33-0-00-02-006-00-0 in the City of Dodge City, as is shown on the map attached hereto and incorporated herein by reference;
3. That I respectfully request that the above-described real estate be annexed and incorporated to the City of Dodge City, Kansas, and do hereby consent to such annexation.

Respectfully submitted,
Lineage Logistics, LLC



By: Robert Sangdahl, VP Real Estate

c/o Lineage Logistics, 46500 Humboldt Drive, Attn: Real Estate Department
Address

Novi, MI 48377
City, State, Zip Code

419-340-3793
Phone

BE IT REMEMBERED, That on this ____ day of March, 2024, before me, a notary public in and said county and state, came the above mentioned landowner to me personally known to be the persons who executed the foregoing instrument of writing, and who duly acknowledged the execution of same, in testimony whereof, I have set my hand and affixed my notarial seal the day and year above written.

TIMOTHY S. DEEB ATTORNEY AT LAW
NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION HAS NO EXP. DATE
SEC. 147 OF O.R.C.

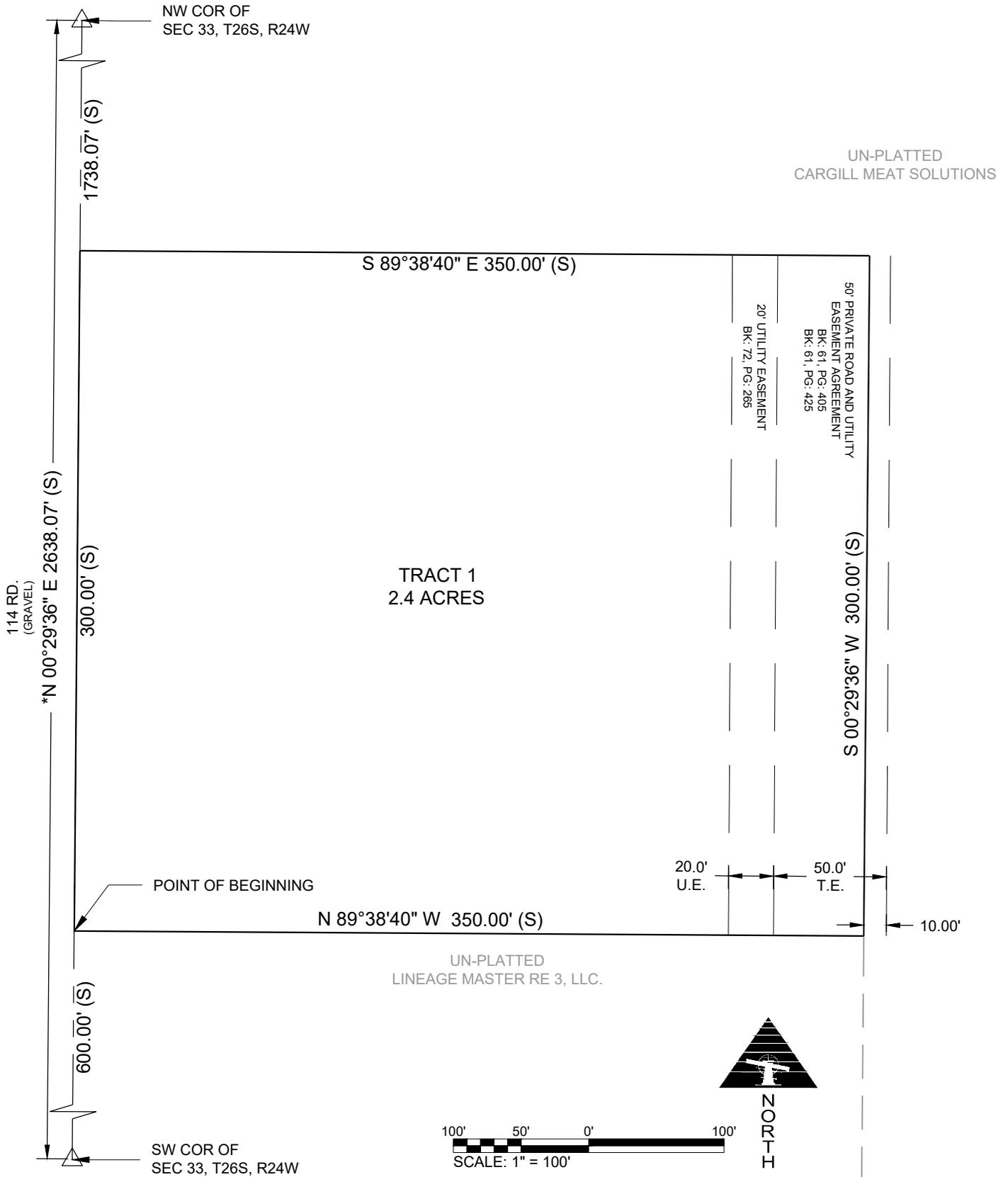

Signature: Notary Public

Timothy S Deeb
Print Name: Notary Public

My commission expires: Does not expire

ANNEXATION EXHIBIT

Lineage Property, Dodge City, Ford County, Kansas



DESCRIPTION:

A tract of land in the Southwest Quarter of Section 33, Township 26 South, Range 24 West of the Sixth Principal Meridian, Ford County, Kansas described as follows:

Beginning at a point that is N 00°29'36" E 600.00 feet from the Southwest Corner of the Southwest Quarter of said Section 33; thence N 00°29'36" E 300.00 feet; thence S 89°38'40" E 350.00 feet; thence S 00°29'36" W 300.00 feet; thence N 89°38'40" W 350.00 feet to the point of beginning, containing 2.4 acres.
Tim Sloan, PS-783, January 9, 2024.

Subject to easements and restrictions of record.

LEGEND

-  Section Corner, NOTE: All section corner monument origins are unknown unless otherwise noted.
- * Assumed Bearing
- (S) Surveyed Dimension

SMH CONSULTANTS

Civil Engineering • Land Surveying • Landscape Architecture
www.smhconsultants.com

Manhattan, KS - HQ P: (785) 776-0541 • Dodge City, KS P: (620) 255-1952
Kansas City P: (913) 444-9615 • Colorado Springs, CO P: (719) 428-8677

Exhibit #01 Drawn By:RJC Project #2312-0448 TDS #94



Memorandum

To: Nick Hernandez, City Manager and City Commissioners
From: Nicole May, Finance Director
Date: March 14, 2024
Subject: Utility Rates
Agenda Item: Ordinances and Resolutions

Recommendation: I recommend the approval of: Resolution No. 2024-04, setting fees for the water utility; Resolution No. 2024-05, setting fees for the sanitary sewer services; Resolution No. 2024-06, setting fees for solid waste collection; and Resolution No. 2024-07, setting fees for the storm water utility service for the City of Dodge City.

Background: In March of 1992, the City Commission adopted Ordinance No. 2997 that sets forth an annual review of utility rates. Rates for utility service are set by the City Commission through adoption of the appropriate ordinance. City Code requires the commission to review rates annually to ensure adequate income is received to cover operational maintenance, capital and debt requirements. At a minimum, the rates for each utility shall be adjusted by the amount of increase in the Consumer Price Index for all Urban Consumers (CPI-U). The CPI-U is tabulated by the Bureau of Labor Statistics. Information obtained indicates that the 5 year average for the CPI-U for water, sewer, and trash collection services for the year 2023 was 3.97%. From this figure, the City of Dodge City will base their increase for water, wastewater, solid waste services and stormwater for 2024. All rates and base fees will be increased by 3.97%. Both the Resolution establishing rates for water and the Resolution establishing rates for sanitary sewer include a section that allows the City to charge one and one half the rate for service outside the city limits.

City staff are currently researching the possibility of implementing a water conservation rate structure. This will be discussed more at a study session in April.

All fees including Industrial fees have been increased for the sanitary sewer fund. This will include the negotiated rates charged to National Beef, Nor-Am and Mid-America Washout.

Justification: The fee increases are part of an annual review of the fees to ensure adequate income is received to cover the costs of operation, capital and debt.

Financial Considerations: As the operational costs increase, the fees will keep pace to cover the costs of operations, debt payments and capital costs. We continue to make sure the wastewater revenues are adequate to cover future bond payments.

Purpose/Mission: Allowing continued and on-going improvements to the City's utility infrastructure.

Legal Considerations: None

Attachments: Resolutions

RESOLUTION NO. 2024-04

A RESOLUTION ESTABLISHING FEES AND RATES FOR WATER UTILITY SERVICE FOR THE CITY OF DODGE CITY.

WHEREAS, for the peace, health, safety, and welfare of the citizens of Dodge City, it is deemed necessary for the City to provide water utility service to its citizens; and

WHEREAS, it is necessary for each and every resident using the water utility of Dodge City to pay a fair and equitable share of the cost of operation for said utility; and

WHEREAS, Chapter 15, Article I, Section 123 requires the rates for water usage by all residents of the City to be set annually by Commission Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Dodge City, Kansas, that the following shall be the fee schedule for Water Utility Service in Dodge City.

Section 1: REPEAL: Resolution 2023-06; adopted on the 6th day of March, 2023, is hereby repealed.

Section 3: RATES ESTABLISHED:

A. Fees for residents within the corporate limits of the City of Dodge City:

New Service Connection Fee	\$26.00
New service connection fee	\$52.00
After normal business hours, Saturdays, Sundays and Holidays	
Monthly Base Fee	\$ 10.23
Cost per thousand Gallons water	\$ 2.74
Kansas Water Protection fee	
Per thousand gallons water	\$.032
Sales Tax for Commercial Accounts	
No Sales Tax on Residential Service	

B. Fees for properties outside the corporate limits of the City of Dodge City:

Residential Property Connection fee	\$2,500.00 per connection
Commercial Property Connection fee	\$3,750.00 per connection
Monthly Base Fee	\$ 15.35
Cost per thousand Gallons water	\$ 4.11

Kansas Water Protection fee
Per thousand gallons water \$.032

Sales Tax for Commercial Accounts
No Sales Tax on Residential Service

A Service fee will also be charged based upon the actual cost the City incurred in the installation of the individual sanitary service to the property.

- C. Fees for the residents within the service area of the City of Wright shall be the same as those listed above, plus any additional fees that were established when the City of Wright was originally provided with water service through the City of Dodge City's Water Utility.
- D. Fees will be one and one half times outside the corporate limits of Dodge City or the area serviced by the Wright Improvement District.

Section 4: LATE FEE: All bills for utility services furnished by the City are payable as specified under Chapter 15, Article I, Section 124. Failure to pay the total utility bill on the required date will result in a charge equal to 10% of the bill.

Section 5: DELINQUENCY FEE: a delinquency fee of \$40.00 will be charged to the past due account if not paid by the reminder due date

Section 6: RESTORATION OF SERVICE AFTER DISCONTINUANCE: Should the utility services be discontinued for being delinquent as outlined in Chapter 15, Article 1, Section 127, service shall be restored upon the payment of all rates, charges, penalties, and delinquency fees due. An additional charge for restoring service on Saturdays, Sundays and holidays is \$15.00.

Section 7: A fee of \$25.00 shall be charged to shut off water service for repair.

Section 8: New utility service applications will be required to provide a current signed and dated lease agreement prior to utility service being granted. The lease agreement will have the current lessee's name that is applying for utility service plus the landlord's name, address and phone number. The lease agreement shall be signed by both parties with current dates. Copies of the lease agreement will be required. If the applicant is delinquent for prior utility services, all delinquent accounts shall be paid and current before utility services is granted.

Section 9: EFFECTIVE DATE: The rates specified hereinabove shall be come effective during the month of April, 2024 as appropriate and upon its adoption by the City Commission and publication in the official City newspaper.

PASSED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS, this 18th day of March, 2024.

Mayor

ATTEST:

Connie Marquez, City Clerk

RESOLUTION NO. 2024-05

A RESOLUTION ESTABLISHING FEES AND RATES FOR SANITARY SEWER SERVICE FOR THE CITY OF DODGE CITY.

WHEREAS, for the peace, health, safety, and welfare of the citizens of Dodge City, it is deemed necessary for the City to provide wastewater collection and treatment service to its citizens; and

WHEREAS, such wastewater collection and treatment services includes residential, commercial, and industrial users; and

WHEREAS, Federal Regulations require that all users pay a fair and equitable share of the collection of wastewater and for the costs of treatment plant construction, operation and maintenance, and replacement costs.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Dodge City, Kansas, that the following shall be the fee schedule for Sewer Service in Dodge City.

Section 1: REPEAL: Resolution 2023-07 adopted on the 6th day of March, 2023 is hereby repealed.

Section 2: SEWER USE FEES:

Sewer user fees pay for the cost of collection and treatment of wastewater, for operation and maintenance of the wastewater collection and treatment system and for the cost of replacement of components of the system shall be established, as set forth herein below:

2.1 Residential Customers

Monthly Service charge	\$20.57
Monthly volume charge per 1,000 gallons	\$2.78

2.2 Mobile Home Parks served by master meter (s)

Monthly service charge	\$20.57
Master meter monthly accumulative reading, Q, multiplied by \$2.67 per 1,000 gallons	A= (Q) (2.78) (1000)
Total Bill =	T= \$20.57 + A

2.3 Commercial Customers with wastewater having strengths not exceeding 300 mg/1 of five day biological oxygen demand (BOD) or 700 mg/1 of total dissolved solids (TDS) per day:

Monthly service charge	\$20.57
Monthly volume charge per 1,000 gallons	\$2.78

2.4 Industrial Customers and Commercial Customers exceeding the BOD and TDS limits set forth in 2.3 hereinabove but not using the City sewer system:

Monthly service charge	\$20.57
Monthly volume charge per 1,000 gallons	\$2.78
Monthly 5 day BOD charge per lb.	\$0.1446
Monthly TDS charge, per lb.	\$0.0891

2.5 Industrial Customers and Commercial customers exceeding the BOD and TDS limits set forth in 2.3 hereinabove and who use the City sewer system shall pay both a monthly service charge, and a monthly volume and strength charge as specified:

Monthly service charge	\$20.57
Monthly volume charge	\$2.78
Monthly 5 day BOD charge per lb.	\$0.1446
Monthly TDS charge, per lb.	\$0.0891

The calculation of the strength charges for BOD and TDS shall be made as follows:

$$SBOD = V_s \times 8.34 \times CBOD \times BOD$$

$$STDS = V_s \times 8.34 \times CTDS \times TDS$$

$$ST = SBOD + STDS$$

Where:

SBOD shall be the strength charge attributable to 5 day biochemical demand

STDS shall be the strength charge attributable to the Total Dissolved Solids

V_s shall be the wastewater volume in million gallons

8.34 shall be the weight of water, pounds per gallon

CBOD shall be the unit charge for 5 day Biochemical Oxygen Demand in dollars per pound

CTDS shall be the unit charge for Total Dissolved Solids in dollars per pound

BOD shall mean five day BOD in mg/l

TDS shall mean Total Dissolved Solids in mg/l

- 2.6 National Beef, which is an industrial customer, has negotiated the following rate to discharge a high volume of wastewater that may exceed the limits allowed for industrial customers. The rate is based on a daily discharge of wastewater regardless of flow.

Volume charge regardless of flow per month	\$1,549.53 per million gallons
BOD ₅ > 2,889,866 lbs. per month	\$0.0399 per pound above parameter
TSS > 2,281,046 lbs. per month	\$0.0399 per pound above parameter
TDS > 1,521,238 lbs. per month	\$0.0399 per pound above parameter
O&G > 1,155,946 lbs. per month	\$0.0399 per pound above parameter

- 2.7 Mid-America Washout, which is an industrial customer, has negotiated the following rate to discharge a high volume of wastewater than may exceed the limits allowed for industrial customers. The rate structure is based on a daily discharge of 50,000 gallons of wastewater.

Volume charge if flow <= 1.5 million gallons per month	\$2,016.45 per million gallons
Volume charge if flow >1.5 million gallons per month	\$3,024.67 per million gallons
BOD > 25,020 lbs. per month	\$ 0.0715 per pound above parameter
TSS > 20,016 lbs. per month	\$ 0.0715 per pound above parameter
TDS > 13,448 lbs. per month	\$ 0.0715 per pound above parameter

- 2.8 Nor-Am Logistics South, LLC, which is an industrial customer, has negotiated the following rate to discharge a high volume of wastewater that may exceed the limits allowed for industrial customers. The rate is based on a daily discharge of wastewater regardless of flow.

Volume charge regardless of flow per month	\$1,549.53 per million gallons
BOD ₅ > 2,889,866 lbs. per month	\$0.0399 per pound above parameter
TSS > 2,281,046 lbs. per month	\$0.0399 per pound above parameter
TDS > 1,521,238 lbs. per month	\$0.0399 per pound above parameter
O&G > 1,155,946 lbs. per month	\$0.0399 per pound above parameter

- 2.9 Fees for properties outside the corporate limits of the City of Dodge City.

Residential Property Connection fee	\$2,500.00 per connection
Commercial Property Connection fee	\$3,750.00 per connection
Monthly Service charge	\$30.86
Monthly volume charge per 1,000 gallons	\$4.17

A Service fee will also be charged based upon the actual cost the City incurred in the installation of the individual sanitary service to the property.

3.0 OTHER TYPES OF CONTRIBUTORS

Any person desiring to use the wastewater treatment system by transporting liquid matter to said system by a means other than through the sewer system may do so if the quantity, quality, type, and character of the liquid waste to be deposited in the system is of a type permitted under the laws of the City, and consists solely of organic or biodegradable waste from septic tanks and cesspools.

Such fees shall be based on two factors, a flat fee designed to pay for testing and the cost of administration and billing and a volume charge.

To simplify the administration and accounting for the material dumped, the volume charge will be based on the total volume of the tank used, rather than a measurement of the actual volume of material in the tank. The OMI staff has the right to measure any tank to determine the volume if there is any question about the reported volume.

The septage disposal fee shall be as follows:

Flat fee for administration and testing	\$45.66
Volume charge	\$ 0.1956 per gallon

4.0 EXTRA MONITORING FOR HIGH STRENGTH WASTES

When regulations require monitoring of wastewater from any user, whether for extra strength or for high discharges, that user shall pay a monitoring charge consisting of all costs for personnel, materials and equipment necessary to collect and analyze samples of the wastewater and shall also pay an additional administrative charge of 10% of the cost of collection and analysis.

5.0 EFFECTIVE DATE: The rates specified hereinabove shall be come effective during the month of April, 2024 as appropriate and upon its adoption by the City Commission and publication in the official City newspaper.

PASSED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS, the 18th day of March, 2024.

Mayor

ATTEST:

Connie Marquez, City Clerk

RESOLUTION NO. 2024-06

A RESOLUTION ESTABLISHING FEES AND RATES FOR SOLID WASTE COLLECTION SERVICE IN THE CITY OF DODGE CITY

WHEREAS, for the peace, health, safety, and welfare of the citizens of Dodge City, it is deemed necessary for the City to provide Solid Waste Collection service to its citizens; and

WHEREAS, such Solid Waste Collection services includes both scheduled and non-scheduled garbage, refuse and trash pickup and disposal, and;

WHEREAS, because of current Ford County Landfill regulations, yard waste must be separated from municipal solid waste, now requiring the City to make separate collections, and;

WHEREAS, it is necessary for each and every citizen of the City of Dodge City to pay a fair and equitable share of the cost of this Solid Waste Collection Service.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Dodge City, Kansas:

Section 1: REPEAL: Resolution 2023-08; adopted on the 6th day of March, 2023, is hereby repealed.

Section 2: SERVICE TO DWELLINGS:

2.1 Dwellings shall include all single family residences, duplexes, or two family dwellings. Fees for dwellings shall be \$21.28 per month per dwelling.

2.2 Multiple family dwellings shall be all residential buildings, except hotels or motels, having three (3) or more separate living units. Fees for multiple family dwellings shall be \$21.28 for the first dwelling unit and \$14.36 for each additional dwelling unit.

2.3 Special fees. In addition to the base rates provided herein above, special fees shall be charged in those cases where the Sanitation Department personnel shall be required to collect such items as refrigerators, stoves, furniture, etc., and large accumulations of trash or metal. In addition, trash placed by either the poly-kart or dumpster will also be subject to an additional charge.

2.4 Commercial rate. The commercial rate will apply to landlords, contractors, or any other type of business that would require pick up of large accumulations of trash

Special fees for some items are as follows:

ITEM	FEE
Refrigerators	\$5.00 plus any fee for disposal of compressor or refrigerant
Freezers	\$5.00 plus any fee for disposal of compressor or refrigerant
Air Conditioners	\$5.00 plus any fee for disposal of compressor or refrigerant
Stoves, dishwashers or other white goods	\$5.00 per item
Metal goods	\$5.00 per item
Furniture, mattresses, carpet, or other large household items	\$5.00 per item
Bagged or loose trash not in poly-kart or dumpster	\$2.50 per bag
Should there be more than three (3) items placed at curb for special pickup, these items will be considered as a bulky accumulation and subject to that charge.	
Trees and other large brush accumulations and other bulky large accumulations	Minimum of \$25.00 per load plus \$12.50 per hour plus landfill charges
Tree piles and other bulky items picked up by hand. (Alley Cleanup or Curbside)	Minimum \$12.50 up to 30 minutes additional \$25.00 for over 30 minutes. Landfill fees could also apply in some situations.
Late Pickup	A \$5.00 charge for pickup of items and karts not placed at the curb on the scheduled pick up day.
Roll Off Containers (residential use)	\$50.00 set fee plus landfill charges. Maximum use time five working days from set date. Set fees and landfill fees apply to every time the container is dumped.
Commercial Rates as follows:	
Roll Off Containers (commercial use)	\$100.00 set fee plus landfill charges Maximum use time five working days from set date. Set fees and landfill fees apply to every time the container is dumped.
Large accumulations of brush, loose or bagged household trash, and other bulky large accumulations	\$40.00 per load plus \$25.00 per hour plus landfill fees
Special Cleanup Fee	\$100.00 per hour equipment fee plus \$25.00 per hour staff fee plus landfill charges and any other costs associated to the cleanup

Section 3. SERVICE TO HOME OCCUPATIONS

Home occupations and similar activities, but not including child care facilities shall pay \$21.28 per month fee for the residence and shall also pay an additional \$21.28 per month fee for service to the home occupation.

Section 4. SPECIAL CONDITIONS

Any special conditions not included in the above rate schedule shall be determined by the Director of Public Works, subject to the approval of the Governing Body.

Section 5. DOWNTOWN SANITATION DISTRICT #1

Downtown Sanitation District #1 is defined as all commercial and or residential dwellings between the streets of 3rd Ave and Central Ave between Wyatt Earp Blvd. and Vine Streets. Any occupant of a commercial or residential dwelling that cannot provide proof of Solid Waste Collection services by any sanitation service provider whether commercial or residential shall be placed on the City of Dodge City Solid Waste Collection services. The occupant shall pay \$21.28 per month per dwelling.

Section 6. YARD WASTE

As the Ford County Landfill requires that all yard wastes be separated from solid waste and that all yard wastes cannot be bagged, the City of Dodge City requires all residents desiring to have their yard waste disposed of by the City shall rent a container, provided by the City, for a cost of \$3.34 per month. Residents may dispose of yard waste by bagging the waste. Bags may not weigh more than 40 lbs. when full. Crews will pick up the bags for \$1.00 per bag.

Section 7. RECYCLING FEE

A fee of \$2.88 per month will be charged to all utility customers, business and residential, for recycling and the handling and disposing of household hazardous wastes.

Section 8. EFFECTIVE DATE: The rates specified hereinabove shall be come effective during the month of April, 2024 as appropriate and upon its adoption by the City Commission and publication in the official City newspaper.

PASSED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS, the 18th day of March, 2024.

Mayor

ATTEST:

Connie Marquez, City Clerk

RESOLUTION NO. 2024-07

**A RESOLUTION ESTABLISHING FEES AND RATES FOR STORM WATER
UTILITY SERVICE FOR THE CITY OF DODGE CITY.**

WHEREAS, for the peace, health, safety, and welfare of the citizens of Dodge City, it is deemed necessary for the City to provide Storm Water Utility Service to its citizens; and

WHEREAS, it is necessary for each and every resident of the City of Dodge City to pay a fair and equitable share of the cost of operation for said utility; and

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Dodge City, Kansas, that the following shall be the fee schedule for Storm Water Utility Service in Dodge City.

Section 1: REPEAL: Resolution 2023-09; adopted on the 6th day of March, 2023, is hereby repealed.

Section 2: RATES ESTABLISHED:

All properties are assessed \$1.56 per Drainage Unit per month. A Drainage Unit Has been established by Charter Ordinance No. 33.

Section 3. EFFECTIVE DATE: The rates specified hereinabove shall be come effective during the month of April, 2024 as appropriate and upon its adoption by the City Commission and publication in the official City newspaper.

PASSED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS this the 18th day of March, 2024.

Mayor

ATTEST:

Connie Marquez, City Clerk

2023 Utility Rates versus 2024 Utility Rates

	<u>2023</u>	<u>2024</u>	<u>Change</u>
<u>Water:</u>			
Base Fee	\$9.84	\$10.23	\$0.39
Per 1000 gallon charge	\$2.64	\$2.74	\$0.10
<u>Sewer:</u>			
Base Fee	\$19.78	\$20.57	\$0.79
Per 1000 gallon charge (Residential, Commercial and Industrial)	\$2.67	\$2.78	\$0.11
<u>Industrial and Commercial exceeding BOD & TDS limits</u>			
Monthly 5 day BOD charge per lb.	\$0.1391	\$0.1446	\$0.0055
Monthly TDS charge, per lb.	\$0.0857	\$0.0891	\$0.0034
<u>Septage Disposal Fee</u>			
Flat fee for the administration and testing	\$43.92	\$45.66	\$1.74
Volume charge, per gallon	\$0.1881	\$0.1956	\$0.0075
<u>National Beef and Nor-Am</u>			
Volume charge regardless of flow per month per million gallons	\$1,490.36	\$1,549.53	\$59.17
BOD5 > 2,889,866 lbs per month - per pound above parameter	0.038449293	0.03997573	0.0015264
TSS > 2,281,046 lbs per month - per pound above parameter	0.038449293	0.03997573	0.0015264
TDS > 1,521,238 lbs per month - per pound above parameter	0.038449293	0.03997573	0.0015264
O&G > 1,155,946 lbs. per month - per pound above parameter	0.038449293	0.03997573	0.0015264
<u>Mid-America Washout</u>			
Volume charge if flow <= 1.5 mil gallons per month - per mil gal.	\$1,939.45	\$2,016.45	\$77.00
Volume charge if flow > 1.5 mil gallons per month - per mil gal.	\$2,909.18	\$3,024.67	\$115.49
BOD > 25,202 lbs. per month - per pound above parameter	0.0688	0.0715	0.0027
TSS > 20,016 lbs. per month - per pound above parameter	0.0688	0.0715	0.0027
TDS > 13,448 lbs. per month - per pound above parameter	0.0688	0.0715	0.0027
<u>Solid Waste:</u>			
Refuse Pickup	\$20.47	\$21.28	\$0.81
Recycling Fee	\$2.77	\$2.88	\$0.11
Additional Unit	\$13.81	\$14.36	\$0.55
Grass Cart	\$3.21	\$3.34	\$0.13
<u>Drainage</u>			
Per Unit Fee	\$1.50	\$1.56	\$0.06
<u>All other fees Remain the same</u>			
Amount of water used: 3200	\$ 80.00	\$ 83.19	\$3.19
'3800 lower sewer avg.	\$ 75.91	\$ 78.92	\$3.01
'4100	\$ 86.24	\$ 89.66	\$3.42
'5000	\$ 84.73	\$ 88.08	\$3.35
'5300	\$ 90.51	\$ 94.10	\$3.59
'6000	\$ 89.71	\$ 93.26	\$3.55



Memorandum

To: Nick Hernandez, City Manager and City Commissioners
From: Ray Slattery, PE, Director of Engineering Services
Date: March 18, 2024
Subject: Approve Change Order (CO) #1, Southbound 14th Ave. Bridge Repair – ST 2202
Agenda Item: New Business

Purpose: The actual quantity of “Area Prepared for Patching” is greater than the preliminary measurements used to design the repair project in the summer of 2022. This change order will extend the “Area Prepared for Patching” bid item to cover the actual quantity needed to complete all repairs.

Recommendation: Approve CO #1 to complete additional patching and omit work to install street light bases which results in a net increase in the amount of \$74,990.00.

Background: In the Summer of 2022, PEC spot measured the patching quantity while the bridge was still under traffic. They concentrated on the areas over the piers. When the contractor closed the bridge to traffic and started sounding, which is a technique used to determine the limits of concrete deck that needs patched, they found additional areas at the midspans of the structure. The contractor has measured an additional 212 square yards of bridge deck that requires patching. This change order includes 250 square yards of additional patching to account for potential overrun.

The repair plans were finalized prior to the City being awarded funding from KDOT to replace the northbound 14th Ave. bridge. The plans include bid items necessary to construct new light pole bases onto the existing piers. After discussion with the design consultant, it was determined that including street lighting on the new structure will be more cost effective than modifying the existing bridge for them. As a result, the bid items to construct the new light pole supports are being omitted from the repair project.

City Commission Options:

1. Approve
2. Disapprove
3. Table for further discussion

Financial Considerations: CO #1 amount is \$74,990.00. The total amount bonded for this project was \$834,000. The new contract price for construction with CO #1 will be \$453,680.47. The total for design and inspection of the project is \$225,298.43. The adjusted overall cost for the project (design, inspection & construction) will be \$678,978.90 which leaves \$155,021.10 remaining on the bond.

Amount \$: \$74,990.00

Fund: 46630300-442004

Budgeted Expense Grant Bonds Other SRF

Legal Considerations: This Change Order will be added to PbX’s Contract.

Mission/Values: This aligns with the City's Core Value of Ongoing Improvement, Safety, & Working Towards Excellence.

Attachments: Change Order #1 Documents

Approved for the Agenda by:

Ray Slattery, PE

Ray Slattery, PE, Dir. of Engineering Services

CHANGE ORDER No. 1

Date of Issuance: 2024-03-08

Project Name: SB 14 th Avenue Bridge Repair	Owner: City of Dodge City	Owner's Project Number: ST 2202
Engineer's Project Number (if applicable): 220771-000	Date of Contract:	
Contractor: PbX Corporation	Funding Agency Project Number (if applicable):	

The following changes are hereby made to the CONTRACT DOCUMENTS:

Area Prepared for Patching:

The contractor closed the bridge and completed preliminary measurements for Area Prepared for Patching. Plan quantity is 175 Sq. Yds. The contractor's preliminary measured quantity is 387 Sq. Yds. As-measured overrun is 212 Sq. Yds. To account for the potential of the preliminary measurements to expand as the contractor begins chipping, a project overrun of 250 Sq. Yds. is requested for a total of 425 Sq. Yds.

Justification:

PEC spot measured the patching quantity while the bridge was still under traffic in Summer of 2022, and concentrated on the areas over the piers. A significant amount of patching was sounded by the contractor at the midspans of the structure. PEC Inspector concurs with the contractor's measurements.

Concrete Pier Extensions and Light Pole Supports:

Concrete (Grade 4.0)(AE) and Reinforcing Steel (Grade 60)(Epoxy Coated) will be underrun as these two bid item are incorporated into the pier extensions needed to add lighting for the structures. This may require adding a small amount to the Concrete Surface Repair bid item, as that was not quantified after specifying removal of concrete at the inside face of the pier beam at three locations.

Justification:

Full replacement of the NB structure was programmed after the completed plans for the SB structure were Let. Full lighting will be added to the NB Replacement structure and will be underrun for the SB repair project.

Change to CONTRACT PRICE

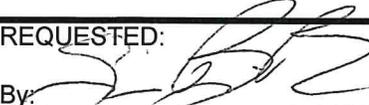
Original CONTRACT PRICE:	\$ <u>378,690.47</u>
Current CONTRACT PRICE (as adjusted by previous CHANGE ORDERS):	\$ <u>378,690.47</u>
Increase in CONTRACT PRICE as of this Change Order:	\$ <u>74,990.00</u>
The new CONTRACT PRICE incorporating this CHANGE ORDER:	\$ <u>453,680.47</u>

Change to CONTRACT TIME:

Original Contract Times: Working Days Calendar Days

Final completion (days or date): July 2, 2024

REQUESTED:

By: 
Contractor (Authorized Signature)

Date: 2024-03-08
Approved by Funding Agency (if applicable):

N/A

RECOMMENDED:

By: 
Engineer (Authorized Signature)

Date: 2024-03-08

ACCEPTED:

By: _____
Owner (Authorized Signature)

Date: _____

Date: N/A



Memorandum

To: City Commission, City Manager, Police Chief
From: Shannon McGee, Police Operations Captain/SWAT Commander
Date: 03/18/2024
Subject: Lenco BearCat Rescue Vehicle
Agenda Item:

Recommendation:

Approve the purchase of a Lenco BearCat Emergency Rescue Vehicle from LENCO Armored Vehicles, Pittsburg, MA in the amount of \$377,130.00.

Background:

Last spring, staff from Senator Moran's office contacted the DCPD and asked us to submit at least two proposals for technology/equipment as part of a Congressionally Directed Spending (CDS) bill Senator Moran was working on. We had only a few days to submit something. The only two equipment projects we had prepared anything on were outfitting the patrol fleet with License Plate Reader (LPR) technology and the BearCat Recue Vehicle Project. We submitted both to Senator Moran's office. Last fall we received notice they selected the BearCat Project for grant funding.

Justification:

Dodge City and the surrounding communities of Ford County face several significant threats to their residents and critical infrastructure. These threats, such as natural disasters, violent crime, mass shootings, hostage situations, active shooters, bomb threats, barricaded gunmen, and terrorism, require our first responders to be constantly prepared for any critical incidents that may occur in the area. To better help the area prepare for such incidents, the Dodge City Police Department sustains a highly trained Special Weapons and Tactics Team (SWAT) to respond to incidents that exceed the capability of regular police patrol within our jurisdiction. For the team to effectively carry out our mission to protect the citizens and critical infrastructure of the region, we must have sufficient equipment to do the job. Currently, however, we do not have access to a response vehicle capable of meeting the team's needs for adequately responding to incidents and protecting the team from ballistic or explosives attacks. Though they have the training and experience to protect against, mitigate the effects of, respond to and recover from terrorist attacks and natural disasters, they lack suitable equipment to safely deliver and sustain our capabilities to do so. The equipment we currently have in use, when running, is a military style Peacekeeper that was put into service in 1983. While this vehicle does offer a small portion of the team some limited protection from lower caliber ballistic attacks, it fails to provide any protection against the types of higher caliber long guns and rifles that have been used in numerous recent attacks throughout the country. This lack in capability increases the likelihood of serious injury or death to our operators and innocent civilians during critical incidents. The Peacekeeper has on-going mechanical issues and is a

loaner through the government's 1033 LESO (military surplus equipment) program. This vehicle is no more capable of responding to any type of natural disaster in the city or county than any other.

The Lenco BearCat offers hardened walls and blast proof windows that protect passengers from the types of ballistic and projectile threats seen in recent attacks, allowing our team to deploy directly into hot zones to respond to ongoing emergencies. The BearCat offers 4-wheel drive capability and the ability to reach highway speeds, helping us to respond to calls throughout the area quickly in all road conditions. These capabilities will allow us to work off road when responding to mutual aid calls in the more rural and remote areas of the county, while the Run-flat tire package will remain durable enough to handle years of duty on the streets of Dodge City. The off-road capabilities, along with the vehicle's heightened ground clearance will enable us to maneuver over road debris in the aftermath of natural disasters such as tornados and to navigate flood prone roadways along the Arkansas River or any of the city's other waterways. The vehicle can carry up to 12 operators in full tactical gear and can fit up to 20 civilians in need of rescue or evacuation from violent incidents or natural disasters.

This BearCat has been specifically designed for volatile environment rescue operations by adding triage equipment to include MedEvac benches, trauma lightening, and IV Hooks ceiling mounts. As an Emergency Rescue Vehicle, we can increase our cooperative efforts with other area first responders, improving our ability to access dangerous or volatile areas sooner, and provide protection while other emergency responders perform their jobs. This vehicle would be able to transfer EMS into a violent situation to recover, protect, and begin lifesaving treatment to any wounded officers or civilians.

During a hostage or barricaded subject situation, we can be there for hours, and it will typically take multiple teams to successfully complete the task. A BearCat would provide ballistic and explosives cover, concealment, warmth, or air conditioning for long events. The BearCat can serve as a rescue vehicle, command post, negotiator's location, and EMS triage location. It can also be used in dignitary transfer and protection, or as an emergency fallback safe room and evacuation point for high profile event emergency planning.

Multiple federal agencies have complimented the effectiveness of this type of vehicle in responding to critical incidents. They affirm its capability to protect responding personnel and citizenry during HazMat and mass casualty incidents. Law enforcement agencies throughout the country currently use these vehicles as a key tool to mitigate violent situations and natural disasters. This investment will increase integration among first responders allowing us to protect against the widest variety of hazards so that we can fulfill our duty to safeguard our immediate and surrounding communities.

There are countless success stories from agencies across the nation. Recently the Garden City Police Department had their success story:

Garden City Police Department – "During the blizzard they had approximately 70 rescues using their BearCat. The BearCat was the only vehicle that could actually get through the snow to rescue these people. When KDOT and National Guard refused to come out because they had nothing available, GCPD and GCFD went to work with the BearCat."

SWAT trains 16 hours a month and will begin incorporating the BearCat into training exercises to ensure efficient and effective use and mission readiness.

As an added benefit, BearCat Vehicles are extremely popular with the kids at area touch-a-truck events as well as the citizen's during tours and demonstrations.

Financial Considerations:

On Sept. 20, 2023, we received email notification that we were awarded GRANT13849957, submitted under the FY 2023 COPS Technology and Equipment Program, in the amount of \$327,000 for the BearCat project.

The original quote was \$326,952.00, however it has expired and with today's rising cost the new quote came in at \$377,130.00. This is \$50,130.00 more than the grant allowed. The additional cost will be funded through our existing forfeiture accounts, funds 129 & 130.

The average cost for annual upkeep is approximately \$600.00 per 10,000 miles driven.

The decaling of this vehicle is anticipated to cost under \$2500. It will come from the factory in a flat white base, and we will have it upfitted with a DCPD Rescue Vehicle decal design to match the City branding on our current white Durango fleet of squad cars.

Attachments:

- Quote/Specs: "DOLKS"
- Lenco – Sole Source Letter 2023
- Lenco – Sole Source Specifications 2023
- Lenco Government Cooperative Contracts 2.16.2024
- Email notification of awarded Grant13849957



Protecting Our Nation's Defenders™

10 Betnr Industrial Drive - Pittsfield, MA 01201

PH: 413-443-7359 - FAX: 413-445-7865

Quotation 102398

Customer Code: DOLKS

Quotation Date: 03/05/24

Lenco Tax ID#: 04-2719777

Page #: 1 of 2

Bill To
Dodge City Police Department 110 W. Spruce Street Dodge City, KS 67801 USA

Ship To
Dodge City Police Department 110 W. Spruce Street Dodge City, KS 67801 USA

Payment Terms	Shipping Terms	Ship Via
Net 30 Days	FOB: Destination	Common Carrier
Estimated Completion	Lenco Contact	Inspection & Acceptance
14+ months ARO (Est.)	Daniel Besemer	At Lenco's Facility, Pittsfield, MA

Item:	Product #	Qty	Unit Price	Total
Vehicle configuration	3577			
Lenco BearCat	BC55003-BASE	1	\$228,803.00	\$228,803.00
Options:				
LED Red and Blue	LED_RED_BLUE	1		
Exterior Paint Color: Flat White	FLAT_WHITE	1		
Diesel Engine, 6.7L Turbo	BCDLEN	1	\$9,995.00	\$9,995.00
BearCat G3 4-Wheel Off-Road Upgrade Pkg w/Run-Flats	BC3WOFFRD	1	\$38,454.00	\$38,454.00
4-Door Configuration	BC4DR	1	\$9,823.00	\$9,823.00
(1) 7" Vertical GunPort Upgrade	BCGP7	8	\$228.00	\$1,824.00
Electric Power Mirrors	BCMIR	1	\$1,508.00	\$1,508.00
360 Camera System	BC360DEG	1	\$4,422.00	\$4,422.00
Radio Prep Package, (1) Max (2)	BCINSRA	1	\$502.00	\$502.00
Rear A/C - Heating Systems: High Capacity Upgrade	BCHACUP	1	\$7,182.00	\$7,182.00
Hydraulic Ram Upgrade w/Front Mounted Receiver with Ram Post and Plate	BCHYDRAM	1	\$14,975.00	\$14,975.00
VSP Style Low Profile & Scene Lighting Pkg	BCVSPL	1	\$6,102.00	\$6,102.00
Roof Mounted Remote Control Spot Light - LED	BCSLLED	2	\$1,404.00	\$2,808.00
High Intensity Driving Lights in Front Bumper	BCHIDL	1	\$1,340.00	\$1,340.00
IR Take Down Light (Bumper Mounted)	BCTDL-IR	1	\$2,577.00	\$2,577.00
AC-DC Power Inverter w/ Auto Eject	BCINV2000	1	\$6,387.00	\$6,387.00
Electric Power Winch Modular w/Winch Basket	BCWNCH	1	\$6,207.00	\$6,207.00
Rear Tow Hitch Receiver w/ Winch Power	BCRTOWRWP	1	\$1,886.00	\$1,886.00
Armored Oil Pan Guard	BCAOPG	1	\$1,936.00	\$1,936.00
Ballistic Skip Round Shield	BCBSRS	2	\$2,420.00	\$4,840.00
Front Skid Pan	BCFSP	1	\$1,713.00	\$1,713.00
MedEvac Benches	BCMEDBENCH	1	\$6,528.00	\$6,528.00
Trauma Lighting (6) Overhead Dome White w/Hi/Low/Red	BCLTMED	1	\$4,996.00	\$4,996.00
IV Hooks - Ceiling Mounted	BCIVHOOK	1	\$1,400.00	\$1,400.00
Stetcher Hook Prep	BCSHP	1	\$3,022.00	\$3,022.00
Configuration Subtotal:				\$369,230.00
Lenco BearCat	NEWCONFIG	1	\$369,230.00	\$369,230.00
Freight Out - Vehicles	FREIGHTOUT-VEHICLE	1	\$7,900.00	\$7,900.00
Net Total				\$377,130.00



Protecting Our Nation's Defenders™

10 Betnr Industrial Drive - Pittsfield, MA 01201

PH: 413-443-7359 - FAX: 413-445-7865

Quotation 102398

Customer Code: DOLKS

Quotation Date: 03/05/24

Lenco Tax ID#: 04-2719777

Page #: 2 of 2

Notes:

WARNING: Information Subject to Export Control Laws

The written approval of the Directorate of US Defense Trade Controls and Lenco Industries, Inc. must be obtained before reselling, transferring, transshipping or disposing of a defense article to any end user, end use or destination other than as stated on this Lenco quote or the shipper's export declaration in cases where an exemption is claimed under this subchapter ITAR 123.9(A).

Acceptance of this quotation or entering into a purchase agreement with Lenco, the purchaser agrees to Lenco's full Terms and Conditions of Sale, available upon request. This quote will be valid for 60 days.

ACCEPTANCE OF PROPOSAL

Authorized

Signature: _____

Please sign and return

Authorized

Signature: Daniel Besemer

Daniel Besemer

Thank you



Protecting Our Nation's Defenders™

SOLE SOURCE LETTER

Lenco Industries, Inc.
10 Betnr Industrial Drive
Pittsfield, MA, 01201
E-mail: Contracting@LencoArmor.com
Phone: 413-443-7359

DATE: April 20, 2023

RE: Sole Source Letter for the Lenco BearCat

To Whom It May Concern:

This letter confirms that Lenco Industries Inc. (d/b/a Lenco Armored Vehicles), as designer and manufacturer, is the **Sole Source** provider of the following products in the United States and internationally:

- **Lenco BEAR®**
- **Lenco BearCat®**
- **Lenco BombCat®**
- **Lenco MedCat™**
- **Lenco FireCat™**

Additionally, these Lenco products, their specifications, manufacturing techniques and marketing materials are proprietary and are protected by copyrights, trademarks, service marks, patents, nondisclosure agreements, noncompete agreements and exclusive supply agreements; in whole or in part.

There are no other items or products available that offer identical functionality or performance characteristics, and Lenco determines the prices for the above-named products to be fair and reasonable because of pre-competed federal and state supply schedules controlled by exclusive distribution.

Federal Acquisition Regulation (FAR) Part 6.302-1 – “Only one responsible source and no other supplies or services will satisfy agency requirements” is the statutory authority permitting this Sole Source government procurement.

Further, the Code of Federal Regulations (CFR) Title 2, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards establishes government-wide requirements for federal grants and cooperative agreements. Under the Uniform Guidance, a non-Federal entity that receives a federal award must “provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States.” *See* 2 C.F.R. § 200.322. If the non-Federal entity fails to do so, the federal awarding agency or pass-through entity may sanction a non-compliant recipient of funds.

In summary, Lenco Armored Vehicles, based in the United States, is the only manufacturer or authorized dealer of the Lenco BearCat, its variants or its equivalent.

Designer and Manufacturer of Tactical Armored Security Vehicles

10 Betnr Industrial Drive · Pittsfield, MA 01201 · Tel (413) 443-7359 · Fax (413) 445-7865
www.LencoArmor.com · e-mail: Info@LencoArmor.com



Protecting Our Nation's Defenders™

SOLE SOURCE SPECIFICATIONS

Lenco Industries, Inc.
10 Betnr Industrial Drive
Pittsfield, MA, 01201
E-mail: Contracting@LencoArmor.com
Phone: 413-443-7359

DATE: April 20, 2023

RE: Sole Source Specifications for the Lenco BearCat

Lenco BearCat Key Features, Testing and Certifications

Armor Protection

- Armor Panels constructed of Certified Mil-Spec Steel
- Vertical Armor Panels are .50 inch thick, one-piece solid construction from the front of the vehicle to the rear of the vehicle
- Gunports and all surrounding armor protection, including backup armor, is .50 inch thick.
- Proprietary welding technique utilized in sidewall, floor and roof construction
- Armored hood, radiator protection, fuel tank, exterior lighting armor backup, inner fender armor, door and window pocket armor backup
- Department of the Army, U.S. Army Aberdeen Test Center – Ballistic Certification for armor plate used in **every** BearCat manufactured
- Independent Third-Party Testing to the following threats / ballistic standards: EN 1063 BR7, NIJ IV, STANAG 4569 Level 2, .50 CAL M2 Multi-Hit, .50 CAL M33 Multi-Hit, DM51x2 Hand Grenades, DM31 Anti-Personnel Mine, M67x2 Hand Grenades, 20mm FSP, V50 (BL) P Ballistic Test

Mobility & Automotive Safety

- 126" – 131.5" Wheelbase
- Custom-tuned suspension, including shocks, springs, bump stops, front and rear sway bars, track bar and radius arms
- Proprietary OEM Frame-to-Body construction
- Department of the Army, U.S. Army Aberdeen Test Center, Aberdeen Proving Grounds – Automotive Performance Testing to the following standards:
 - Test Operating Procedures (TOP)
 - North Atlantic Treaty Organization (NATO) Reference Mobility Model (NRMM)

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- NATO Allied Vehicle Testing Publication (AVTP)
- Society of Automotive Engineers (SAE)
- Human Factors Integration - Safety Assessment Review (SAR)
 - Fort Knox, KY
 - Fort Belvoir, VA
- National Highway Transportation Safety Administration (NHTSA), Office of Vehicle Safety Compliance (OVSC), Federal Motor Vehicle Safety Standards (FMVSS) Compliance Testing
 - Center of Gravity Test
 - FMVSS 105 – Hydraulic Brake Test
 - FMVSS 206 – Door Locks and Door Retention Test
 - FMVSS 207 – Seating Systems
 - FMVSS 210 – Seat Belt Anchorages
 - FMVSS 302 – Flammability of Interior Components
- National Tactical Officers Association (NTOA), Member Tested and Recommended Certification
 - 2003 Certification
 - 2020 Re-Certification
- U.S. Air Force Air Transportability Test Loading Activity (ATTLA) – Air Transportation Certification
 - Lockheed C-5 Galaxy
 - Boeing C-17 Globemaster III
 - Lockheed C-130 Hercules

Tactical Features

- Patented, zero gravity counter balanced & rotating roof hatch system
- Height-adjustable gunner stand with removable / serviceable design - *US Patent No. 11,561,060 B1*, granted to Lenco on 01/24/2023
- Automatic Door Lock-Out (side doors) with single tap release
- Welded Running Boards rated to hold 3,000 lbs. at each side & 2,500 lbs. on rear
- Occupant situational awareness
- 390 square feet of interior space
- 2-Piece Bumper-integrated hydraulic entry bars with attachments for Audio / Video, Chemical Deployment, and Water Deployment
- Roof Mounted Water Nozzle with internal joystick controls
- Bumper Mounted Water Nozzle with internal joystick controls
- Vehicle-Integrated On-Board SCBA System
- Tactical EMS interior layout, workstation, medical cabinet, oxygen storage and trauma lighting
- 68 Gallon Single Fuel Cell
- 40” Water Fording Package with Independent 3rd Party Testing

Service, Reliability & Interoperability

- Commercial Chassis common to government fleet
- Commercial Chassis Warranty and Service history at nearly 130 Authorized Ford Service Centers across the United States

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www.LencoArmor.com · e-mail: Info@LencoArmor.com

- Ford OEM Warranty
- 3 Year Lenco Warranty
- Operational and Support Cost: Average cost of \$558 USD per 10,000 miles of operation
- Reliability, Availability and Maintainability (RAM): 24,906 mean miles between repair, 1.3 hours mean time to repair and 98% operational readiness
- Interoperability with hundreds of federal, state and local law enforcement agencies across the United States; reduces training cost and limits response time in joint operations
- Lenco Refurbishment Program – (4) individual ‘Schedules’ of refurbishment work that address Ford chassis components, Lenco components, paint and upgrades.
- Lenco Trade-In Program – End-of-Life vehicles can be traded-in to Lenco for value against the acquisition of a new or used model vehicle.

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Protecting Our Nation's Defenders™

US Government Cooperative Purchasing Contracts

1. GSA Federal Acquisition Service – Multiple Award Schedule

Contract Number: GS-07F-169DA

Current Option Period End Date: August 22, 2026

Important Links:

- [Lenco GSA eLibrary Link](#)
- [1122 Program Link](#)

2. H-GAC – Ambulances, EMS, and Other Special Service Vehicles

Contract Number: AM10-23

Current Option Period End Date: September 30, 2027

Important Links:

- [HGACBuy Contract Link](#)

3. North Carolina Sheriff's Association (NCSA) – Fire/EMS/Law Enforcement Specialty Vehicles

Contract Number: 23-03-0524R

Current Option Period End Date: June 17, 2024

Important Links:

- [NCSA Contract Award Documents Link](#)

4. US Communities (OMNIA Partners) – Public Safety & Emergency Preparedness

Contract Number: 4400008468

Current Option Period End Date: September 30, 2024

Lead Agency: County of Fairfax, Virginia

Lead Contractor: Safeware, Inc. and Mallory Safety and Supply, LLC

Important Links:

- [US Communities / OMNIA Partners Contract Link](#)

5. New Jersey Cooperative Purchasing Alliance (Bergen County Co-Op) – Catalog / SWAT Equipment

Contract Number: BC-Bid-#21-55 (COOP)

Current Option Period End Date: December 3, 2024

Lead Agency: County of Bergen, NJ

Lead Contractors: Tomahawk Strategic Solutions

Important Links:

- [Bergen County Co-Op Contract Link](#)

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6. Howard County, MD Office of Procurement and Contract Administration – New Vehicles, Class 1 – 7

Contract Number: 4400004548

Current Option Period End Date: June 30, 2024

Important Links:

- [Howard County, MD Current Awards and Contracts Link](#)
- [Current Contracts Link](#)

7. State of Iowa – Specialty Vehicles: Armored Rescue Vehicle

Contract Number: 005-RFB-0437-2023 / 23202

Current Option Period End Date: August 31, 2024

Important Links:

- [Iowa Department of Administrative Services Link](#)

Last updated October 1, 2023

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Connie Marquez

From: Default <do-not-reply@ojp.usdoj.gov>
Sent: Wednesday, September 20, 2023 4:01 PM
To: Nicole May; Drew Francis; Shannon McGee
Subject: DOJ Justice Grants System - Award Number 15JCOPS-23-GG-01851-TECP Notification

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.



Congratulations! Application GRANT13849957 submitted under the 2023 FY 2023 COPS Technology and Equipment Program Invitational Solicitation has been selected for an award. Please log into Justice Grants System (JustGrants) at <https://justgrants.usdoj.gov> to see award details.

For assistance logging into JustGrants, contact JustGrants.Support@usdoj.gov or 833-872-5175.

Prior to the Authorized Representative accepting the award, the Entity Administrator needs to assign a Financial Manager (responsible for submitting the Federal Financial Form), a Grant Award Administrator (responsible for submitting Grant Award Modifications, Performance Reports and Closeouts) and an Alternate Grant Award Administrator (responsible for submitting Grant Award Modifications) to the award.

To be eligible for payment, follow the Automated Standard Application for Payments (ASAP) recipient enrollment and login guidance at the JustGrants Website www.justicegrants.usdoj.gov. Please do not reply to this message. You can contact your grant manager LASHAWN BENTON at 202-445-6218 and LASHAWN.BENTON2@USDOJ.GOV

This is a picture of the BearCat G3. Ours will be white in color with the City's branding and logos matching our White Durango Squads.





Memorandum

To: City of Dodge City Commission
CC: City Manager Nick Hernandez
From: Collin Clark, Public Information Officer
Date: March 18, 2024
Subject: 2024 Advisory Board and Commission Appointments
Agenda Item: New Business

Purpose: To fill vacant/open positions on the various City of Dodge City advisory boards/Commissions.

Recommendation: To approve the appointment/reappointment of individuals listed below to the various City of Dodge City Advisory Board/Commissions.

Background: The process of soliciting interested citizens to fill the expired/vacant positions on the city-appointed boards and commissions has ended. The notice seeking applications was published in the Dodge City Daily Globe, on the City of Dodge City website, on the City Facebook page, and in the Community Newsletter. Staff representatives have reviewed the applications and support the following Mayor's recommendations to the City Commission for appointment.

AIRPORT ADVISORY BOARD - Reappointment of ReaAnna Bolmer, Reappointment of Aaron Johnson, and Appointment of Cathy Heikes.

BUILDING BOARD OF APPEALS - Reappointment of Winston Hines, Reappointment of Leonard Brockleman, Reappointment of Mike Weber, and Reappointment of Eli Cook.

CONVENTION & VISITOR BUREAU - Reappointment of Beth Rhoten.

CULTURAL RELATIONS ADVISORY BOARD - Appointment of Susan Finley and the Appointment of Yarisel Sanchez.

DODGE CITY PLANNING COMMISSION - Reappointment of Laura Mead, appointment of Alba Gutierrez-Ortiz, and appointment of Jose Luis Garcia.

GOLF ADVISORY BOARD - Reappointment of Jacob Ripple.

HISTORIC LANDMARK COMMISSION - Reappointment of Natalie Cox, Reappointment of Darleen Clifton, and Reappointment of Doug Austen.



LIBRARY BOARD - Appointment of Tonya Maier

PARKS & REC ADVISORY BOARD - Appointment of Tamie Preston

HOUSING AUTHORITY BOARD - Appointment of Carol Sinclair

City Commission Options:

1. Approve
2. Disapprove
3. Table for further discussion

Financial Considerations: N/A

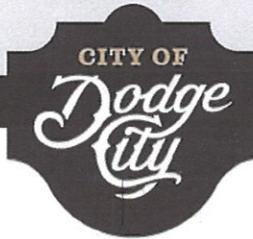
Legal Consideration: N/A

Mission/Values: Working with Boards and Commissions fulfills the City's mission statement: Together, we promote open communications with our community members to improve quality of life and preserve our heritage to foster a better future and accomplish our core purpose of making Dodge City the Best Place to be.

Approved for the Agenda by:

A handwritten signature in black ink, appearing to read "Collin Clark".

Collin Clark, Public Information Officer



Memorandum

To: Nick Hernandez, City Manager and City Commissioners
From: Corey Keller, Public Works Director
Date: March 13, 2024
Subject: Approval to Purchase an EZ liner Paint Machine
Agenda Item: New Business

Purpose: The purpose is to purchase a new Ez-Liner Paint Striper

Recommendation: To approve the purchase of one Ez-Liner Paint Striper for a total amount of \$109,925.00

Background: This machine is utilized to paint much of the street pavement marking throughout the city and airport. The old machine has been used beyond its usable life for this type of equipment. The street department has maintained this equipment very well which is the reason it has lasted this long. Staff received one soucewell quote from Ez-liner in the amount of \$109,925.00.

The City of Dodge City is a member of Soucewell Cooperative Purchasing which guarantees the lowest possible price from the manufacturer. This is the reason we only received one bid for this piece of equipment.

City Commission Options:

1. Approve Purchase
2. Disapprove Purchase
3. Table for further discussion

Financial Considerations: There is \$120,000.00 budgeted for this purchase.

Amount \$: 109,925.00

Funds:	Special Streets Fund	12230300-441005	\$109,925.00
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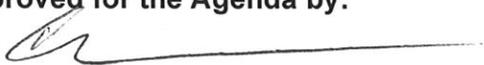
Budgeted Expense Grant Bonds Other

Legal Considerations: None

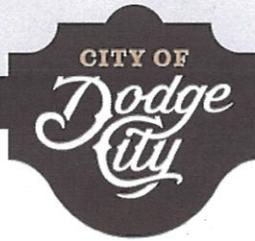
Mission/Values: Approving this agreement aligns with the City's Core Values of Working Towards Excellence and Ongoing Improvement.

Attachments: None

Approved for the Agenda by:



 Corey Keller, Public Works Director



Memorandum

To: Nick Hernandez, City Manager and City Commissioners
From: Corey Keller, Public Works Director
Date: March 14, 2024
Subject: Approval to Purchase a New Emco Style Trash Truck
Agenda Item: New Business

Purpose: The purpose is to purchase one new emco style trash truck, which will replace a 2003 Sterling PakMor currently utilized by the Sanitation Department.

Recommendation: To approve the purchase of one Emco Style Trash Truck with International Chassis for a total amount of \$236,300.00 from TriVista of Dodge City KS, and Southwestern Equipment Company of Justin TX.

Background: This truck will be utilized by the sanitation department to service the emco style dumpsters. The current truck is (21) twenty-one years old with 196,856.00 miles. This truck is in desperate need of replacement. There is currently no back to this truck so if it breaks down the service cannot be provided until repaired. These types of dumpsters are still used in several locations such as apartment complexes, parks, and other commercial type locations that cannot utilize a polykart.

The bids received for the chassis were from,

TriVista, Dodge City Kansas for 2024 International Chassis for \$125,900.00 (Available Now)
Truck Center Co., Dodge City Kansas for 2025 Western Star 47X for \$128,468.00 (Available 2nd Quarter 2024)

The bids received for the body were from,

Southwestern Equipment Company, Challenger Left Hand 30 Yard Body \$110,400.00
Key Equipment Supply Co, Labrie Sprinter 26 + 4-yard Body \$184,460.00

TriVista of Dodge City and Southwestern Equipment are the lowest bidders at \$236,300.00.

City Commission Options:

1. Approve Purchase
2. Disapprove Purchase
3. Table for further discussion

Financial Considerations: There is \$275,000.00 budgeted for this purchase.

Amount \$: 236,300.00

Funds: Sanitation Fund 53043100-441005 \$109,925.00

Budgeted Expense Grant Bonds Other

Legal Considerations: None

Mission/Values: Approving this agreement aligns with the City's Core Values of Working Towards Excellence and Ongoing Improvement.

Attachments: Pictures

Approved for the Agenda by:



Corey Keller, Public Works Director



SPRINTER

RELIABLE, QUICK ROUTE TIMES IN ONE SOLID PACKAGE

The Sprinter is the ideal choice for those who need reliability and quick route times built into one solid package. The advanced design delivers a lower total vehicle weight and allows for a higher packing capacity than our competitors. This delivers greater flexibility and a lower Total Cost of Ownership (TCO) for our customers, compared to other commercial side loader products available.

- 24 yd³ to 35 yd³ body sizes available
- Environmental Benefits
 - Light weight, high compaction, fast cycle times
 - Increased fuel efficiency and decreased fuel consumption
- Zero lateral movement arm with no kick out
- Low Maintenance
- Low Profile
- Fully integrated Labrie CNG systems
 - roof and back of cab mount
 - 50 to 82 DGE available

Body Dimensions

Overall Length	286 3/4"
Overall Height Above Frame	110 1/2"
Overall Width	109 1/4"
Tailgate Length	37 3/16"
Hopper Opening Length	83"
Hopper Opening Width	65"
Overall Length (Tailgate Raised)	340 1/8"
Overall Height Above Chassis (Tailgate Raised)	174 3/8"

Body Specifications

Body Floor (Curved One Piece)	3/16" ASTM A1011 GR 80
Body Sides Walls	10 GA ASTM A1011 GR 80
Body Roof	10 GA ASTM A1011 GR 80

Hopper Specifications

Hopper Floor (Front)	1/4" ASTM A36
Hopper Floor (Rear)	1/4" AR400
Hopper Walls	10 GA ASTM A1011 GR 80
Access Door	32" X 30 3/4"

Packer Specifications

Type	Full Eject
Packer Face Plate	3/16" ASTM A1018 GR 80
Packer Height	71 1/2"
Packer Width	78 1/4"

Tailgate Specifications

Curved Face and Sides	10 GA ASTM A1011 GR 80
Slide-In Rubber Seal Height (Seal on tailgate, Not on Body, No Tailgate Vertical Move Open or Close)	40"
Latches	Hydraulic latches on both sides
Tailgate Capacities	1, 3 & 4 yd ³

Hydraulic Specifications

Operating Pressure	2500 psi
STD Pump	Gear Type 54 GPM @ 1500 RPM
Packer Controls	In Cab STD Packer Controls (Stop, Pack, Retract & Eject)
Arms Controls	In Cab STD Twinstick (Joystick optional)
Hydraulic Tank Capacity	Aluminum, chassis mount, 60 gallons
Return Filter	In Tank Return Filter
Oil Level Gauge	Mounted on Tank

Cylinder Specifications

Packer	5 1/2" - 4 1/2" - 3 1/2"
Packer Cylinder Force	102,300 lbs
Lifting Device Reach Cylinder	3 1/2"
Lifting Device Lift Cylinders	4"
Tailgate	2 1/2"

Note: Specifications subject to change without notice





Standard

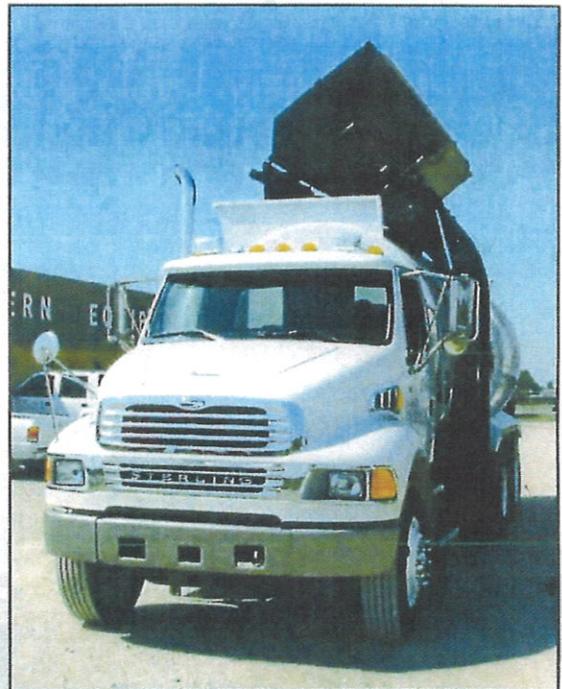
- ◆ 48" reach
- ◆ Step and Ladder for clean out
- ◆ Clean out door
- ◆ Catwalk with ladder
- ◆ Work lights

Challenger Specifications

Yardage	Compaction area	Receiving area
20 yard	15 cubic yards	8 cubic yards
25 yard	18 cubic yards	8 cubic yards
30 yard	21 cubic yards	8 cubic yards
33 yard	25 cubic yards	8 cubic yards

Options

- ◆ Grabber attachment makes this the only truck you will need to pick up residential and commercial solid waste
- ◆ Greasing system
- ◆ Emco or Pak-mor hook-up
- ◆ LED Lights
- ◆ Camera
- ◆ Right or left hand drive
- ◆ Spray Unit



CHALLENGERTM



Memorandum

To: Nick Hernandez, City Manager and City Commissioners
From: Tanner Rutschman, PE, City Engineer
Date: March 18, 2024
Subject: Approval of Agreement with Baker Tilly to provide Comprehensive Prevailing Wage & Apprenticeship Compliance Management, SS 2101
Agenda Item: New Business

Purpose: This agreement will ensure that the City is compliant with the requirements included in the Qualified Biogas Property credit under the Inflation Reduction Act (IRA22). It will also ensure that we submit a strong, accurate tax credit application to the IRS that will maximize our potential benefit.

Recommendation: Approve the agreement with Baker Tilly to provide comprehensive Prevailing Wage & Apprenticeship Compliance Management to preserve and maximize IRA22 Credit.

Background: Staff has been working with Baker Tilly over the past year to help the City determine the potential tax credit (cash reimbursement) available through the IRA22 for the wastewater treatment plant expansion project. Baker Tilly completed a preliminary tax credit eligibility analysis on our project and estimated a potential credit between \$3 - \$21 million (see credit eligibility letter attached). This cash payment is made possible through the "Qualified Biogas Property" tax credit included in the IRA22.

Under the scope of work in this agreement, Baker Tilly will provide compliance management services to preserve and maximize IRA22 Credit and maintain the required compliance recordkeeping necessary for reporting and filing of a tax credit application.

City Commission Options:

1. Approve
2. Disapprove
3. Table for further discussion

Financial Considerations: Funding for this agreement will come from the Biogas Fund in a not to exceed amount of \$196,000. This includes the base compliance cost of \$172,000 and the annual compliance cost after year one of \$24,000. This investment has the potential to return millions of dollars to the City.

Amount: \$196,000.00

Fund: 52142200 441010

Budgeted Expense Grant Bonds Other SRF

Legal Considerations: The City will be entering into an agreement with Baker Tilly and will be bound by the provisions of the agreement. The City Attorney has reviewed this agreement and has no concerns.

Attachments: Credit Eligibility Letter and Scope of Work Agreement

Approved for the Agenda by:

A handwritten signature in blue ink that reads "Ray Slattery, PE". The signature is written in a cursive style.

Ray Slattery, PE, Dir. of Engineering Services



Baker Tilly US, LLP
4807 Innovate Ln, PO Box 7398
Madison, WI, 53707-7398
United States of America

T: +1 (608) 249 6622
F: +1 (608) 249 8532

bakertilly.com

Ray Slattery, PE
Director of Engineering Services
City of Dodge City
100 McCaustland Road 1
Dodge City KS 67801

Delivered via email: Ray Slattery – rays@dodgecity.org

RE: Warrior Biogas Facility Expansion - Preliminary Tax Credit Eligibility Letter

The Inflation Reduction Act (“IRA”) was signed into law on August 16th, 2022, with a large component dedicated to the development of clean energy infrastructure. The IRA adapts the language of the Internal Revenue Code (“IRC”) to provide tax incentives to organizations that develop qualified renewable energy projects. The City of Dodge City (the “Client”) recognizes that the renewable natural gas facility they are constructing in Dodge City, Kansas (the “Project” or “Project Warrior Expansion”) may qualify for these energy-related incentives and has engaged Baker Tilly US LLP (“Baker Tilly”) to help determine the eligibility for tax incentives, specifically the investment tax credit (“ITC”) under IRC §48. Based on conversations and documentation provided by the Client to date, this memorandum summarizes our findings, assumptions, and discussion regarding the potential to claim an ITC and/or PTC for the Project. The memorandum includes:

- I. Executive Summary
- II. Project Description
- III. Supporting Guidance

I. Executive Summary

The Client has recently begun construction to expand an existing waste-water treatment plant (“WWTP”) in Dodge City, Kansas. Expansion of the treatment facility is required to support a new dairy processing facility in the city. The scope of this project includes construction of roughly 11 miles of excavation and force mains required for sending the wastewater offput of the dairy facility to the WWTP. Downstream from the dairy processing facility will be a waste treatment system to handle wastewater with high strength organic material. This waste treatment system will be designed with an anaerobic digester. Processing the wastewater results in the production of roughly 600 MMBtu/day of biogas. The methane content of this biogas (~1,275 SCF/min) will be delivered to the existing commercial distribution system.

Entity Type	Tax-Exempt Entity
Energy Property Type	Qualified Biogas Property
Project Size (MWe)	~7 MWe
Begun Construction Date	Estimated as Q3 or Q4 of 2023
Anticipated Placed in Service Date	Estimated as Q1 of 2025

Based upon the below project facts described to Baker Tilly, the expected ITC percentage is 40%. This credit rate estimate is based upon meeting certain established requirements described below. If these requirements are deemed to have not been met upon project completion, the applicable credit rate will adjust accordingly.

Base Credit Requirement	Expectation to Meet Requirement	Credit %
Eligible Energy Property per §48(a)(2)	Yes	6%
Domestic Content	Yes	2%
Energy Community	No*	0%
Expected Base Credit %		8%

*Status of the Energy Community bonus credit is based upon a preliminary assessment without a site survey and environment study review for known contaminants that could result in brownfield status.

Increased Credit Requirement	Expectation to Meet Requirement (1 of 3 Required)	Credit Multiplier
Max Net Output <1Mwe	No	-
Begun Construction by 1/29/23 - Safe Harbor	No	-
Prevailing Wage and Apprenticeship	Yes	5X
Expected Increased Credit %		40%

The Project has completed the design and engineering phase and began on site construction in 2023 and is expected to be substantially complete in 2024 and likely placed into service in 2025. The dairy facility will begin sending low strength wastewater to Dodge City in October of 2024, at which point, Dodge City will begin to create biogas. Upon placing in service, the investment tax credit will be earned. Based on the above assumptions and the expected project cost, the expected credit value range is ~\$3MM - ~\$21MM. The low estimate is based upon an 82% estimate of eligible property and conservatively assumes the project does not qualify for credit bonus requirements, nor does the project satisfy the prevailing wage requirement. The high estimate is based upon an 86% estimate of eligible property and assumes the project qualifies for the domestic content bonus requirement and satisfies the prevailing wage requirement.

Maximization of the credit value is contingent on careful execution of the project to: 1) maximize the eligible property spend, 2) comply with the credit bonus requirements, and 3) ensure the project meets the increased credit requirements.

Estimated Credit Computation		
	Low Estimate	High Estimate
Estimated Project Cost	\$62.51MM	\$62.51MM
Estimated % Eligible	82%	87%
Estimated Eligible Property	\$51.258MM	\$54.175
Estimated Credit % (Taxable)	6%	40%
Estimated Credit Value (Taxable)	\$3.075MM	\$21.670MM
Estimated Credit % (Tax-Exempt)	5.1%	34%
Estimated Credit Value (Tax-Exempt)	\$2.614MM	\$18.420MM

Summary of Findings and Recommendations

Based on review of the information provided, the Project is expected to be eligible for the ITC. Assuming the Prevailing Wage and Apprenticeship requirements are met, the project will qualify for the increased credit amount (multiplied by 5). If the project meets this requirement and is eligible for the domestic content bonus, the value of the ITC will be 40% of ITC-eligible costs. The credit rate will be reduced by 15% if financed through tax-exempt financing. Based on our preliminary analysis of financing scenarios, the tax-exempt financing provides a net present value savings of ~\$3MM as compared to taxable financing for the high estimate scenario assuming a 30-year loan with level amortization issued through the Kansas State Revolving Fund program (SRF) for the full project costs at a 3% tax-exempt interest rate and a 4% taxable interest rate. This net present value savings will only get larger for the low estimate. The best-case financing scenario would be for the SRF program to issue the loan as taxable and keep the interest rate at the tax-exempt rate if that is possible.

Next Steps

- Upon completion perform a cost segregation study with detailed cost values assigned to process flow diagrams to determine the final ITC eligible property value.
- Develop a strategy to meet the domestic content requirements to enable qualification for an additional 10% ITC bonus.
- Develop a strategy to satisfy the prevailing wage and apprenticeship requirements for the increased credit (5X multiplier).
- Evaluate whether an environmental assessment should be completed to evaluate whether the Warrior Project may be located on a brownfield site and therefore eligible for the Energy Community bonus.
- Continue to monitor additional guidance issued by Treasury and the IRS as applicable to the Project.

II. Project Description

The City of Dodge City is expanding an existing gas upgrade facility located at 100 McCaustland Road 1, Dodge City, Kansas 67801. The project was initiated to accommodate additional wastewater flow demand generated from a newly constructed dairy processing facility. The project is budgeted to cost \$62.25 million, which includes an additional anaerobic digester, additional biogas handling and upgrade systems, as well as piping, force mains and lift stations to supply the waste from dairy facility to the upgrade facility. The Project and the associated assets are owned by the City of Dodge City, Kansas. The Project has a development contract with the dairy processing facility to receive the high strength wastewater. The City of Dodge City, Kansas will accept and treat the wastewater, and is the owner the wastewater once accepted. The wastewater is comprised of high strength waste by-products from the dairy processing facility. The anaerobic digester will decompose biological waste to create methane biproduct. The biogas upgrade facility will now remove the carbon dioxide and nitrogen from the biogas and produce a renewable natural gas (“RNG”) comprised of greater than 95% pure methane, equivalent to natural gas. The final RNG will be injected into a nearby pipeline, owned by Northern Natural Gas Company, and transmitted to off-takers who purchase the RNG. Offtake agreements are currently in place.

III. IRC §48 Investment Tax Credit Supporting Guidance

Generally, Section 48 allows for an energy credit for the energy percentage of the basis of each energy property placed in service during the taxable year. The energy percentage will have a base percentage of 6% in the case of qualified property, and 2% for all other property. This percentage may be increased if certain additional requirements are met.

When determining whether property is “qualified property” for Section 48 purposes the following requirements must be met:

1. The property must qualify under §48(a)(2) [listing of types of eligible energy property], §48(a)(3), or §48(a)(5) as “Energy Property”.
2. The property must meet “begun construction” requirements by December 31, 2024.
3. Depreciation must be allowable for the property.
4. The property must meet any performance and quality standards prescribed by the IRS.

Eligibility of the Project

Based on information provided by the Client, the Project will be eligible for the ITC as qualified biogas property given its plan to decompose biological waste and produce a biogas (RNG) that is upgraded to contain greater than 52% methane by volume. Eligibility requirements of qualified biogas property are summarized as follows:

Qualified Biogas Property – ITC

Under IRC §48(c)(7), qualified biogas property is defined as including a system which converts biomass into a gas consisting of, or upgraded to, at least a 52% methane content. The definition explicitly includes gas cleaning and condition equipment used to convert the biogas into saleable gas. This Project is processing biomass that is produced from the biodegradation of solid waste and thus would be included as part of a qualified biogas system. Solid waste is considered an eligible “biomass” feedstock and thus landfill gas collected and upgraded to produce RNG is considered biogas.

Section 48(a)(2) and 48(a)(3) describe energy property as either equipment which uses solar energy to generate electricity, or equipment used to produce, distribute, or use energy derived from a geothermal deposit. In either of these cases, the construction must begin before December 31, 2024.

However, Section 48(a)(5) also allows for an election to treat qualified investment credit facilities as energy property. A qualified investment credit facility is any qualified facility within the meaning of section 45 that is listed under section 48(a)(5)(C) if no electricity production credit under section 45 has been allowed for that facility, and the taxpayer irrevocably elects the business energy credit for that facility. For purposes of section 48(a)(5), “qualified property” is property which is tangible personal property or other tangible property (not including a building or its structural components), but only if such property is used as an integral part of the qualified investment credit facility, to which depreciation is allowable, is constructed by the taxpayer, and which original use commences with the taxpayer. Construction for these facilities must also begin before December 31, 2024.

The property currently at issue qualifies as energy property through the Section 48(a)(5) definition of a qualified investment facility. Specifically, the property at issue is described in paragraph (7) of section 45(d) as a “trash facility”. A Trash Facility is defined as “a facility . . . which uses municipal solid waste to produce electricity.” For purposes of Section 45, “Municipal Solid Waste” is given the same definition as “Solid Waste” under section 1004(27) of the Solid Waste Disposal Act (42 U.S.C. 6903), except that such term does not include paper which is commonly recycled, and which has been segregated from other solid waste. Section 1004(27) of the Solid Waste Disposal Act defines Solid Waste as “any garbage, refuse, or sludge from a waste treatment plant, water supply plant, or air pollution control facility and other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, mining, and agricultural operations.” Further, “Sludge” was given the meaning of “any solid, semisolid, or liquid waste generated from a municipal, commercial, or industrial wastewater treatment plant, water supply treatment plant, or air pollution control facility or any other such waste having similar characteristics.”

In the present case, the property at issue is converting high strength organic wastewater from a dairy processing facility to renewable natural gas (“RNG”). This waste stream will qualify as sludge for purposes of determining

whether solid waste is present, and thus the property at issue will qualify as energy property. Please note, this qualification is subject to construction beginning before December 31, 2024, no credit being taken under Section 45, and the taxpayer making the irrevocable election to have this section apply.

Begun Construction Requirements

Construction must begin prior to the date established for each type of property and be continuous until the project is placed in service (see below for definition of “continuous and “placed in service”). The IRS provides two methods to determine when construction has begun on energy property. Specifically, the taxpayer can establish the beginning of construction by (1) starting physical work of a significant nature (physical work test), or (2) meeting a safe harbor (the 5% safe harbor).

Physical Work Test

The physical work test method requires that a taxpayer begin physical work of a significant nature, determined by the nature of the work performed, not the amount or cost. Assuming that physical work performed is of a significant nature, there is no fixed minimum amount of work or monetary or percentage threshold required to satisfy the Physical Work Test. Both on and off-site work can demonstrate that physical work of a significant nature has begun.

Work performed both by the taxpayer and other persons (for the taxpayer), under a binding written contract entered into before the manufacture, construction, or production of the energy property or components of energy property for use by the taxpayer in the taxpayer's business (or for the taxpayer's production of income), is considered in determining whether construction has begun.

A binding written contract is one that is enforceable under local law against the taxpayer or a predecessor and does not limit damages to a specified amount. For this purpose, a contractual provision that limits damages to an amount equal to at least 5% of the total contract price will not be treated as limiting damages to a specified amount.

Physical work of a significant nature does not include preliminary activities, and it is irrelevant that the costs of those activities may be properly included in the depreciable basis of the energy property. Preliminary activities include, but are not limited to:

- Planning, designing, or securing financing;
- Conducting geologic mapping and modeling;
- Obtaining permits and licenses;
- Conducting geophysical, gravity, magnetic, seismic and resistivity surveys;
- Conducting environmental and engineering studies;
- Clearing a site;
- Conducting test drilling to determine soil condition;
- Excavating to change the contour of the land (distinguished from excavation for footings and foundations)

The Five Percent Safe Harbor Method

Under the 5% safe harbor method, construction of energy property is considered as having begun if: (1) a taxpayer pays or incurs at least 5% of the total eligible costs of the energy property; and (2) thereafter makes continuous efforts to complete the energy property.

Incurred Defined: IRC §1.461-1(a) defines incurred as when the below requirements have been satisfied:

- All events have occurred that fix the fact of the liability;
- The amount of liability can be determined with reasonable accuracy; and
- Economic performance has occurred;

Economic Performance: IRC §1.461-4(d)(6) allows for economic performance to occur when payment is made if the taxpayer can reasonably expect the services or property to be *provided* within 3½ months after the date of payment. Services or property are *provided* to a taxpayer when delivered, accepted, or title transfers.

If different services or items of property are provided to a taxpayer under a single contract or agreement, economic performance occurs over the time each service or property is provided so long that one of the following is met:

- The separated line item exceeds 10% of the total contract price or;
- The cost of the separated services or property is treated on the taxpayer's books and records as separate items.

Continuous Construction Requirements

Once a project has met begun construction, the project must demonstrate continuous construction or continuous efforts (continuity requirement) to establish the begun construction date. There is a continuity safe harbor that allows for any project which is placed in service within four years of beginning construction, is deemed to have satisfied the continuity requirement.

If a project is placed into service outside the four-year window, the below factors are considered for meeting the continuity requirement.

- Paying or incurring additional amounts included in the total cost of the energy project;
- Entering into binding written contracts for components or future work on construction of the energy project
- Obtaining necessary permits; and
- Performing physical work of a significant nature;

Placed in Service

The investment tax credit is earned when an energy project is placed in service. Internal Revenue Code §1.46-3(d)(1)(ii) provides that property is placed in service for federal income tax purposes when it is placed in a condition or state of readiness and availability for a specifically assigned function.

The Internal Revenue Service and judicial system have generally looked to a number of factors to determine when property is placed in a condition or state of readiness and availability for a specifically assigned function, including:

- Approval of required licenses and permits;
- Passage of control of the energy project to taxpayer;
- Completion of critical tests;
- Synchronized with grid, pipeline, or utility; and
- Commencement of daily or regular operation

These factors are not exclusive. They are used as guideposts to determine whether, looking at the totality of the facts and circumstances, a facility has been placed in service. It is important to note that while a facility must be ready and available to produce on a sustained and reliable basis, it need not have reached design capacity to be considered placed in service.

Energy Property – Eligible Costs

Recently issued Proposed Regulations Section 1.48-9(e)(6) provide clarity into what components are considered energy property. Specifically, the regulations rely upon Notice 2018-59 to provide that a unit of energy property consists of all functionally interdependent components of property owned by the taxpayer that can be operated

apart from other energy properties within a larger energy project. Components will be functionally interdependent if the placing in service of each component is dependent upon the placing in service of each of the other components in order to generate electricity.

For property that is not functionally interdependent with the energy property, the proposed regulations provide that any property that is an integral part of the energy property will be energy property. To be part of energy property in this way, the integral property must be used directly in the intended function of the energy property and be essential to the completeness of the property's overall intended function. Through this expansive language, power conditioning equipment and transfer equipment that would normally not qualify as energy property on their own, can now be deemed to be energy property by being an integral party of the overall energy property. This allows for transformers, converters, and related parts such as switches and circuit breakers to qualify.

The proposed Regulations expands on the eligible costs of qualified biogas property as well. Specifically, Treasury includes waste feedstock collection systems, landfill gas collection systems, mixing or pumping equipment, and anaerobic digesters. It should be noted that upgrading equipment necessary to condition biogas into the appropriate mixture for injection into the pipeline will not be seen as part of the qualified biogas functionally interdependent property. Industry clarification and modifications to these proposed rules is expected.

Historical Guidance - 1603 Program

Guidance for the 1603 grant program, which was created as part of the American Recovery and Reinvestment Tax Act of 2009, is commonly used to assist with determining which costs are considered eligible energy property. The prior 1603 grant in lieu of tax credit guidance states, as it pertains to property which can be used as a basis for claiming a grant in lieu of tax credit, "Qualified property includes only tangible property that is both used as an integral part of the activity performed by qualified facility and located at the site of the qualified facility. Qualified property does not include a building but may include structural components of a building. Property is an integral part of a qualified facility if the property is used directly in the qualified facility, is essential to the completeness of the activity performed in that facility, and is located at the site of the qualified facility."

Further, the 1603 guidance states:

"In the case of an open-loop biomass, closed-loop biomass, or municipal solid waste ("trash") facility, an integral part of the qualified facility includes property used at the plant site for unloading, transfer, storage, reclaiming from storage, or preparation (shredding, chopping, pulverizing, or screening) of the material to be processed at the plant." Due to the inherent nature of the typical costs that comprise an anaerobic digester project, reliance on this specific prior guidance along with interpretation of what portions of the project were "integral to the production of electricity" is very helpful when determining eligible basis under the new qualified biogas property.

Investment Tax Credit Calculation

Qualified biogas property defined under IRC §48 is eligible for an ITC with a 6% base credit with the following bonus credits available:

- 5x credit multiplier if prevailing wage and apprenticeship requirements are met, OR construction has begun prior to January 29th, 2023 (30% value – 6% multiplied by 5)
- 2% (or 10% if 5x multiplier applies) bonus credit for projects that use domestic sourced steel and equipment.
- 2% (or 10% if 5x multiplier applies) bonus credit for projects located in an energy community.

The IRA established a new structure for calculating the investment tax credit. As opposed to the set eligible credit percentage from previous legislation, the IRA established base credit amounts with a multiplier for meeting applicable prevailing wage and apprenticeship requirements and multiple categories of adders including bonuses for domestic content and locating projects in energy communities.

The final amount of investment tax credit is the amount of eligible costs multiplied by the base credit with the credit multiplier and bonus credits. For example, a qualified energy project that meets prevailing wage and apprenticeship requirements, uses qualified domestically sourced content, and is located in a qualified energy community will be eligible for a tax credit valued at 50% of eligible costs.

Reduction in Credit for Financing via Tax-Exempt Bonds

The amount of investment tax credit determined with respect to any energy project for any taxable year shall be reduced by the lesser of 15% or the pro rata portion of tax-exempt financing, as calculated below:

- The numerator of which is the sum, for the taxable year and all prior taxable years, of proceeds of an issue of any obligations the interest on which is exempt from tax under Section 103, and which is used to provide financing for the energy project, AND
- The denominator of which is the aggregate number of additions to the capital account for the energy project for the taxable year and all prior taxable years.

Monetization

Under the Inflation Reduction Act of 2022, for tax years beginning after 12/31/2022, an eligible taxpayer can elect to receive direct payment for eligible credits. IRC §6417(d)(1)(A) defines applicable entity as:

1. any organization exempt from the tax imposed by subtitle A,
2. any State or political subdivision thereof,
3. the Tennessee Valley Authority,
4. an Indian tribal government,
5. any Alaska Native Corporation, or
6. any corporation operating on a cooperative basis which is engaged in furnishing electric energy to persons in rural areas.

Further, direct pay election must be made on a tax return filing by the respective entities tax return due date, including extensions, of the tax return. The due date of the return is dependent upon the type of return filed and when certain projects are completed and is generally 4.5 months after the entities tax year (accounting period) in the year following the completion of the qualifying energy project. If filing a Form 990, entities can request an automatic 6-month extension of time to file the return.

Phase-out for Direct Payment

The IRA also establishes a phase-out of the tax credit for direct-pay recipients. For projects that do not meet domestic content requirements and are over 1 MW (as measured in alternating current), the tax credit may not be fully realized due to phase-out. The taxpayer will receive the following percentages of the tax credit based on the following phase out:

- 100 percent if construction begins before January 1, 2024
- 90 percent if construction begins in calendar year 2024
- 85 percent if construction begins in calendar year 2025
- 0 percent if construction begins after December 31, 2025

Exceptions to this phase out may apply but further guidance from the Secretary will be needed to clarify the requirements for any exceptions.

ITC Recapture

Under IRC §50, investment tax credits will be recaptured if the asset ceases to be eligible ITC property. For example, if sold, disposed, or otherwise ceases to operate within five tax years from the point where the asset is placed in service, the tax credit may be subject to recapture. The amount of recapture phases down by 20% after each year the project is placed in service. For example, in year one, if a recapture event were to occur, 100% of the credit value would be recaptured. In year two, 80% would be recaptured.

Lastly, the property must meet any performance and quality standards prescribed by the IRS after consultation with the Department of Energy. These standards are laid out under 26 C.F.R. 1.48-9, which also requires an annual measurement period. The standards further state that the annual testing period must reflect that the qualifying energy source comprises at least 75% of the total energy input in an annual measuring period. The performance and quality standards will have to be met once the property is placed in service for the five-year recapture period.

Depreciable Basis Reduction

This property is defined as Energy Property described in Section 48(a)(5). Under Revenue Procedure 87-56, the asset is depreciated as MACRS property over 5 years under Asset Class F. The depreciable basis will be reduced by 50% of the tax credit. In the present case, the property is eligible for depreciation thus meeting this requirement.

Prevailing Wage & Apprenticeship Requirements

Prevailing Wage Requirements

1. General Requirements

While final guidance has not yet been issued, Section 48 and its proposed regulations provide that the taxpayer shall ensure that any laborers and mechanics employed by the taxpayer or any contractor or subcontractor in:

- The construction of the energy project; and
- For the five-year period beginning on the date such project is originally placed in service, the alteration or repair of such project.

Shall be paid wages at rates not less than the prevailing rates for construction, alteration, or repair of a similar character in the locality in which such project is located.

The proposed regulations define the terms “laborer” and “mechanic” as those individuals whose duties are manual or physical in nature. Laborers and mechanics would include apprentices and helpers. Working forepersons who devote more than 20 percent of their time during a workweek to laborer or mechanic duties and who do not meet the criteria for exemption under 29 CFR part 541 would also be considered laborers and mechanics for the time spent conducting laborer and mechanic duties. However, laborers and mechanics would not include individuals whose duties are primarily administrative, executive, or clerical, and persons employed in a bona fide executive, administrative, or professional capacity as those terms are defined in 29 CFR part 541.

Under 29 CFR part 541, if the working foreperson is compensated on a salary basis at a minimum of \$684 per week; has the primary duty of office or non-manual work directly related to the management or general business operations of the employer; and their primary duty includes the exercise of discretion

and independent judgment with respect to matters of significance, they will not be included as a laborer or mechanic.

Wages are defined as the basic hourly rate of pay; any contribution irrevocably made by a contractor or subcontractor to a trustee or to a third person pursuant to a bona fide fringe benefit fund, plan, or program; and the rate of costs to the contractor or subcontractor that may be reasonably anticipated in providing bona fide fringe benefits to laborers and mechanics pursuant to an enforceable commitment to carry out a financially responsible plan or program, which was communicated in writing to the laborers and mechanics affected.

Taxpayers should use the general wage determinations published by the DOL to determine the applicable prevailing wage rates. The general wage determination in effect when the construction of the facility begins must be used by the taxpayer, but the taxpayer is not required to update the applicable prevailing wage rates during construction of the facility in the event a new general wage determination is published by the DOL after construction begins.

However, a new general wage determination would be required to be used when a contract is changed to include additional, substantial construction, alteration, or repair work not within the scope of work of the original contract, or to require work to be performed for an additional time period not originally obligated, including where an option to extend the term of a contract for the construction, alteration, or repair is exercised.

If a general wage determination does not provide the applicable wage rates for the work to be performed, the taxpayer, contractor, or subcontractor would need to request a supplemental wage determination or request a prevailing wage rate for an additional classification from the DOL.

Moreover, in circumstances where facilities span two or more adjacent geographic areas, and more than one general wage determination could apply, the taxpayer would be able to satisfy the prevailing wage requirements by ensuring that laborers and mechanics are paid wages at the highest rate for each classification provided under the general wage determinations.

Lastly, under the proposed regulations, taxpayers would be subject to the requirement to ensure that laborers and mechanics are paid not less than prevailing wage rates with respect to the construction, alteration, or repair at the locality in which the facility is located, which would be defined to include any secondary sites where a significant portion of the construction, alteration, or repair of the facility occurs, provided that the secondary site either was established specifically for, or dedicated exclusively for a specific period of time to, the construction, alteration, or repair of the facility.

2. Wages for Apprentices

The proposed regulations adopt 29 CFR 5.5(a)(4)(i) allowing the payment of wages that differ from the applicable prevailing wage rate to apprentices who are participating in a registered apprenticeship program.

For purposes of determining whether apprentices may be paid the apprentice wage rate rather than the full prevailing wage, the apprentice must be participating in a registered apprentice program as demonstrated by a written apprenticeship agreement with the registered apprenticeship program containing the terms and conditions of the employment and training of the apprentice. The registered apprenticeship program would be required to be registered with the DOL or a recognized State apprenticeship agency. If the apprentice is working in a classification that is not in an occupation that is part of the registered apprenticeship program, to satisfy the Prevailing Wage Requirements, the apprentice would need to be paid the full prevailing wage for laborers or mechanics for that classification in that location.

Taxpayers and contractors or subcontractors who employ apprentices who are not in a registered apprenticeship program would need to pay those apprentices the full prevailing wage rate listed for the classification of the work performed in the applicable wage determination.

Apprenticeship Requirements

To satisfy apprenticeship requirements with respect to the construction of any qualified facility, it must be ensured that the labor hours requirement, ratio requirement, and participation requirement are satisfied.

1. Labor Hour Requirements

Under the labor hours requirement, the taxpayer must ensure that the applicable percentage of the total labor hours are performed by qualified apprentices. A qualified apprentice is an individual who is employed by the taxpayer or by any contractor or subcontractor and who is participating in a registered apprenticeship program. A registered apprenticeship program is any apprenticeship programs that is registered under the National Apprenticeship Act. Pre-apprenticeship programs would not qualify.

In the case of a qualified facility the construction of which begins before January 1, 2023, the applicable percentage will be 10 percent for the total labor hours performed by qualified apprentices. If construction begins after December 31, 2022, and before January 1, 2024, the applicable percentage is 12.5 percent. Lastly, for construction beginning after December 31, 2023, 15 percent.

2. Ratio Requirements

Under the Ratio Requirement, a taxpayer must ensure that any applicable apprenticeship-to-journeyworker ratio is satisfied. The applicable apprenticeship-to-journeyworker ratio is determined by reference to the ratios of the DOL or the applicable State apprenticeship agency.

The applicable ratios set by registered apprenticeship programs generally apply on a daily basis. The proposed regulations reiterate this requirement and would provide that the applicable ratio established by the apprenticeship program would need to be satisfied each day during construction, alteration, or repair of the qualified facility for which apprentice labor hours are being claimed.

The DOL defines journeyworker as a laborer or mechanic who has attained a level of skill, abilities and competencies recognized within an industry as having mastered the skills and competencies required for the occupation. A mentor, technician, specialist, or other skilled individual who has documented sufficient skills and knowledge of an occupation, either through formal apprenticeship or through practical on-the-job experience and formal training may also be a journeyworker.

3. Participation Requirements

Each taxpayer, contractor, or subcontractor who employs 4 or more individuals to perform construction, alteration, or repair work with respect to the construction of a qualified facility shall employ 1 or more qualified apprentices to perform such work.

This requirement is satisfied as long as the taxpayer, contractor, or subcontractor employs one or more apprentices to perform work on the facility. This would not be a daily requirement.

Domestic Content Bonus Credit Requirements

The domestic content requirements are defined within IRC §48(a)(12). If these requirements are met, the applicable credit rate increase will be an additional 10 percent in the case of an energy project which satisfies wage and apprenticeship requirements and 2 percent in all other cases.

Generally, 100% of structural steel or iron used within a project and 40% of components (manufactured products) for projects are required to be manufactured in the United States.

The Steel or Iron Requirement is met if, consistent with 49 CFR § 661.5(b) and (c), all manufacturing processes with respect to any steel or iron items that are Applicable Project Components take place in the United States, except metallurgical processes involving refinement of steel additives.

The Steel or Iron Requirement applies to Applicable Project Components that are construction materials made primarily of steel or iron and are structural in function. The Steel or Iron Requirement does not apply to steel or iron used in Manufactured Product Components or subcomponents of Manufactured Product Components. For example, items such as nuts, bolts, screws, washers, cabinets, covers, shelves, clamps, fittings, sleeves, adapters, tie wire, spacers, door hinges, and similar items that are made primarily of steel or iron but are not structural in function are not subject to the Steel or Iron Requirement.

The Manufactured Products Requirement is met if all Applicable Project Components that are Manufactured Products are produced in the United States or are deemed to be produced in the United States. All Applicable Project Components that are Manufactured Products are deemed to be produced in the United States if not less than 40% of the total costs of all manufactured products of the energy project are attributable to manufactured products (including components) which are mined, produced, or manufactured in the United States.

Lastly, anyone claiming the domestic content bonus must submit to the IRS a statement certifying for each Applicable Project for which the taxpayer is reporting a domestic content bonus credit amount that any steel or iron items subject to the Steel or Iron Requirement or Manufactured Product that is a component of the Applicable Project upon completion of construction was produced in the United States (Domestic Content Certification Statement).

This statement must include the following information for each project:

- Whether the Applicable Project is a qualified facility, energy project, or energy storage technology;
- The specific type of Applicable;
- The geographic coordinates of an Applicable Project and the address of the Applicable Project, if applicable;
- The date the Applicable Project was placed in service;
- The total domestic content bonus credit amount with respect to the Applicable Project in the first taxable year in which the taxpayer reports a domestic content bonus credit amount for such Applicable Project; and
- Any additional information with respect to the Applicable Project that is required by the applicable forms and instructions for reporting domestic content bonus credit amounts.

The Domestic Content Certification Statement must be signed by a person with legal authority to bind the taxpayer and contain the following statement: "Under penalties of perjury I declare that I have examined the information contained in this Domestic Content Certification Statement and to the best of my knowledge and belief, it is true, correct, and complete."

Energy Community Bonus Credit Requirements

The energy community bonus allows for an additional 10% ITC value for qualifying facilities. The facility must qualify as either a brownfield site category, a statistical area category, or a coal closure category.

Energy communities are defined within IRC §45(b)(11)(B) as meeting any one of the qualifications below:

Brownfield Site

- Defined as meaning real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant, subject to various exclusions including that a brownfield site does not include the categories of property described in 42 U.S.C. § 9601(39)(B).
- The Safe Harbor rules for Brownfield sites are:
 - The site was previously assessed through federal, state, territory, or federally recognized Indian tribal brownfield resources as meeting the definition of a brownfield site under 42 U.S.C. § 9601(39)(A). Potential site lists may be found under EPA's Cleanups in My Community webpage or similar webpages maintained by states, territories, or Indian tribes;
 - An ASTM E1903 Phase II Environmental Site Assessment (phase II Assessment) has been completed and confirms the presence on the site of a hazardous substance as defined under 42 U.S.C. § 9601(14), or a pollutant or contaminant as defined under 42 U.S.C. § 9601(33); and
 - If less than 5MW, an ASTM E1903 Phase I Environmental Site Assessment (phase I Assessment) has been completed and identifies the presence or potential presence of a hazardous substance as defined under 42 U.S.C. § 9601(14) (hazardous substance), or a pollutant or contaminant as defined under 42 U.S.C. § 9601(33) (pollutant or contaminant).

Statistical Area

- A metropolitan statistical area or non-metropolitan statistical area which –
 - Has (or, at any time during the period beginning after December 31, 2009, had)
 - 0.17 percent or greater direct employment (fossil fuel employment) OR
 - 25 percent or greater local tax revenues (fossil fuel tax revenue) related to the extraction, processing, transport, or storage of coal, oil, or natural gas (as determined by the Secretary), AND
 - Has an unemployment rate at or above the national average unemployment rate for the previous year.

Coal Closure Site

- A census tract in which –
 - A coal mine has closed after December 31, 1999, OR
 - A coal-fired electric generating unit has been retired after December 31, 2009, OR
 - Is directly adjacent to any census tracts defined above.

An energy community (“EC”) project is treated as “located in” or “placed in service within” an energy community if the EC Project satisfies either the nameplate capacity test or the square footage test. An EC Project that has nameplate capacity must apply the Nameplate Capacity Test. An EC Project that has no nameplate capacity must apply the Footprint Test.

Under the Nameplate Capacity Test, an EC Project that has nameplate capacity is considered located in or placed in service within an energy community if 50 percent or more of the EC Project’s nameplate capacity is in an area that qualifies as an energy community.

If an EC Project does not have a nameplate capacity (for example, qualified biogas property), such EC Project applies the Footprint Test. Such an EC Project is considered located in or placed in service within an energy community if 50 percent or more of its square footage is in an area that qualifies as an energy community. This percentage is determined by dividing the square footage of the EC Project that is located in an energy community by the total square footage of the EC Project.

Disclosures:

Pursuant to the rules of professional conduct set forth in Circular 230, as promulgated by the United States Department of the Treasury, nothing contained in this communication was intended or written to be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer by the Internal Revenue Service, and it cannot be used by any taxpayer for such purpose. No one, without our express prior written permission, may use or refer to any tax advice in this communication in promoting, marketing, or recommending a partnership or other entity, investment plan or arrangement to any other party.

The accompanied credit estimates are based on information provided by management. Baker Tilly is not performing an audit of the Project or providing a formal opinion regarding the Project's eligibility for the ITC. There is no guaranteed the Project will qualify for the ITC.

This memorandum is a summary discussion and is limited to the described facts. It is not intended to be a formal opinion of tax consequences and does not contain a full description of all facts or a complete exposition and analysis of all relevant tax authorities.

The conclusions and recommendations contained in this memorandum are based on our understandings of the facts, assumptions, information, and documents referenced herein and current tax laws and published tax authorities in effect as of the date of this memorandum, which are subject to change. If the facts and assumptions are incorrect or change or the tax laws change, the conclusions and recommendations would likewise be subject to change.

This memorandum reflects our interpretation of the IRC, the Treasury Regulations promulgated thereunder, cases, public and private rulings, administrative announcements, and other tax authority in effect as of the date of our memorandum. If the tax authorities relied upon to issue our memorandum change, the conclusions and recommendations would likewise be subject to change. Baker Tilly US, LLP assumes no obligation and does not intend to update the memorandum for any future changes in tax law, regulations, or other interpretations.



SOW 1 - Appendix B

4.1 IRA Prevailing Wage & Apprenticeship Compliance Management for Bonus Credit

Baker Tilly will provide comprehensive Prevailing Wage & Apprenticeship (PW&A) Compliance Management to preserve and maximize IRA22 Credit and maintain required compliance recordkeeping necessary for reporting and filing of tax credit application. This SOW Appendix B is subject to the SOW Appendix to which this SOW Appendix B is attached and shall be governed by the terms and conditions therein, including the MSA signed on March 15, 2023, and the Online Terms, attached hereto as Exhibit 1.

Our Understanding:

The Client is building a \$62MM biogas digester 'the Project' located in Dodge City, Kansas that will require Prevailing Wage & Apprenticeship ("PW&A") compliance to satisfy the IRA22 requirements to receive a tax credit (direct payment).

Work Activities

IRA22 Planning & Guidance

- Provide interpretation of IRA22 guidance as released.
- Establish framework for contractor Prevailing Wage & Apprenticeship ("PW&A") compliance that aligns to project protocol.
- Provide overall guidance on PW&A compliance needs to project team.
- Evaluate existing prevailing wage rates for county where project is located.
- Provide General Contractor wage determination request form for submission to US Department of Labor.
- Identify local Registered Apprenticeship Programs.

Certified Payroll Tracking Software and Compliance Program

- Contractor Onboarding in Payroll Tracking software.
- Enterprise software license through Baker Tilly.
- Project-specific portal for compliance program.

Compliance Management

- Weekly management of contractor prevailing wage and apprenticeship compliance:
 - Validate all contractors submit payroll records and comply with prevailing wage rates.
 - Review and validate weekly contractor apprentice reporting.
 - Notify contractors of non-compliance to prompt "cure" process
 - Assist contractor with "cure" process, if necessary
 - Review submission of non-compliance documentation to reconcile "cure".
-

IRA Analytics

- Baker Tilly project-specific portal provides dashboard summary of weekly contractor prevailing wage and apprenticeship compliance.
- Quarterly reports of prevailing wage and apprenticeship compliance are generated for project and retained for reporting and filing.
- Final prevailing wage and apprenticeship certification.

Project, Timing & Budget

Work will commence upon execution of the formal Agreement and applicable SOWs and subject to availability of requested information from the Client. Below are the work steps associated with the Prevailing Wage & Apprenticeship compliance program covering Phase 4.1:

Summary of Compliance Program
IRA Planning & Guidance (<i>Worksteps included in Phase 2 of Appendix A</i>) <ul style="list-style-type: none"> • Baker Tilly Subject Matter Expert throughout the duration of construction phase (included)
Certified Payroll Tracking Software <ul style="list-style-type: none"> • All software and analytic costs during the construction of the project (included)
PW&A Compliance Program, Contractor, Contractor Onboarding, and Credit Certification <ul style="list-style-type: none"> • Baker Tilly Compliance Program is a fixed cost and includes: <ul style="list-style-type: none"> • Compliance communication with contractors for set up of project • Dashboard of compliance summary to contractors (daily) • Projected penalties and task lists for contractors to cure non-compliance • Monthly & Quarterly summary of project compliance to owners • No additional software licenses to purchase • Ability to keep program running during the recapture years (years 1-5, -10+) • Assist with weekly management of contractor PW&A compliance and “cure” • Final prevailing wage and apprenticeship certification

Alternations and Repairs subject to PW&A during the recapture period will be covered under the Annual Compliance fee, billed monthly, as noted above. Fees includes certification of annual PW&A requirements with contractors and the annual prevailing software license costs to keep the project instance open each year with Baker Tilly.

Billing for the collective Project Appendices, as signed together, will be issued in one combined bill in monthly installments from the Project start date through the expected placed in service (PIS) date.

Signature of this agreement confirms consent with the fees for Appendix B as follows.

Total IRA Program Cost	Cost (\$) *
Total Project Capital Cost	\$62,000,000
Total IRA Compliance Cost:	\$172,000
Project start to PIS completion (months)	20
Billing amount during (Y0) construction (\$/Month)	\$8,600

Annual Compliance (Y1+) \$/year	\$24,000
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*Projects which must backflush prior wages will incur an additional admin charge to administer data entry.

Project Costs are defined as the material/equipment and labor costs that are constructing the qualified energy property. Labor will include any laborers and mechanics employed by the taxpayer or any contractor or subcontractor in the construction of such Project that are subject to prevailing wage. Owner costs, soft costs, or work not subject to prevailing wage will not be included in Project Cost.

Billing for the collective Project Appendices, as signed together, will be issued in one combined bill in monthly installments from the Project start date through the expected placed in service (PIS) date.

Billing Procedures

You will receive a monthly statement showing the installment fees and any travel costs incurred in the prior month which is payable no later than 30 days after the invoice date statement. All unpaid invoices will accrue 1% late payment charges monthly.

Conflicts of interest

We are unaware of any additional conflicts of interest related to this SOW Appendix that exist at this time.

Termination

Notwithstanding termination provisions contained in the Agreement, this SOW Appendix is intended to be ongoing and applicable individually to specific services including financings, arbitrage computations, and/or continuing disclosure engagement, ("Sub-engagements") as if they are the sole subject of the SOW Appendix. As such, termination may occur for a specific Sub-engagement without terminating the SOW Appendix itself. On termination of a Sub-engagement or the SOW Appendix, all fees and charges incurred prior to termination shall be paid promptly. Unless otherwise agreed to by the Client and Baker Tilly, the scope of services provided in a Sub-engagement performed under this SOW Appendix will terminate 60 days after completion of the services for such Sub-engagement.

Work Team

This work will be led by a cross functional advisory and tax Baker Tilly team, with members from our Construction, Manufacturing, Energy & Infrastructure, Real Estate and State and Local Government teams as necessary to complete the work, based on the Property Type seeking the tax credit.

Additional Disclaimers

Please note that Baker Tilly will, in good faith, rely on payroll and employee classification data furnished by the Client or third parties, without independent audit or verification. By providing this information to Baker Tilly, Client represents that all payroll and employee classification data they have provided for the credit computation is complete and accurate, and therefore does not require independent verification from Baker Tilly. Client adheres to all terms and disclaimers outlined in SOW Appendix A, Engagement-Specific Terms and Conditions Section 9.c.

Client or its' designated agent (Project Manager, Contractor, etc.) are responsible for the following:

- Assignment of category of construction (Building, Heavy, or mixed) that will determine selection of correct DOL wage determination.
- Identifying any labor classifications missing from the General Wage Determinations.
- Alerting vendors to the PW&A Requirement.
- Verifying that workers are identified with and paid for the proper labor classification based on their role in that job.

**SOW 1 - Appendix B to MSA Between
City of Dodge City, KS
and Baker Tilly US, LLP**

- Taking the appropriate action against vendors that continue to not comply with PW&A requirements.
- Verify that apprentices are training with Registered Apprenticeship Programs, recognized by the US Department of Labor or a State Apprenticeship Agency.
- Document and report to Baker Tilly any apprenticeship ratios defined in the apprenticeship training agreements that are not 1:1.

Signature Section:

The services and terms as set forth in this Scope Appendix are agreed to on behalf of the Client and Baker Tilly by their respective authorized representatives identified below:

CITY OF DODGE CITY, KS

BAKER TILLY US, LLP

Signature: _____
Nick Hernandez

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Exhibit 1 to Appendix B

Copy of Online Terms for IRA Compliance Portal

Not Negotiable – For Reference Only

You are choosing to utilize this web-based portal (the “IRA Compliance Portal”) operated by Baker Tilly US, LLP (“Baker Tilly”). By using the IRA Compliance Portal, you are entering into a legal agreement to abide by the terms of use you see here, and you are agreeing that you have read and fully understand these terms of use. The IRA Compliance Portal is intended for individuals who are at least 18 years of age and are accessing the internet from a physical location within the United States of America. By using or accessing the IRA Compliance Portal, you acknowledge that you are 18 years of age or older and are accessing the internet from a physical location within the United States of America.

This Terms of Use Agreement (“Agreement”) applies to your use of the IRA Compliance Portal. A separate statement of work will be sent to your attention to cover any resulting services performed by Baker Tilly as anticipated by your use of the IRA Compliance Portal, i.e. assistance with the submission of a concept paper, application, or documentation to support the use of tax credits approved by the Inflation Reduction Act of 2022 (the “Services”). By accessing, browsing, or using the IRA Compliance Portal, you acknowledge that you understand, accept and agree to be bound by this Agreement, as well as our Privacy Policy, located below. You agree that, to the fullest extent required by the law of any state, you have been provided with, have received, and are agreeing to all disclosure and consent requirements.

For purposes of this Agreement, “you” or “your” means the person(s) and/or business(es) using the IRA Compliance Portal and/or the Services, and any business for whom such person(s) are acting as an agent with respect to the Portal and/or the Services.

Baker Tilly’s Services are administrative and consultative only. Baker Tilly is not an agent for you or any other entity in relation to the Services. Baker Tilly shall not be liable for any damages or costs of any type arising out of or connected in any way with your tax credit. Baker Tilly does not guarantee a tax credit amount as all credits can be subject to an audit.

You represent that all the information you provide through the IRA Compliance Portal and in connection with the Services is true, accurate, current and complete. You further acknowledge that you alone will use your account to access the IRA Compliance Portal. You must not sell, transform, or assign your account to anyone else. You agree to keep your login information confidential, to employ reasonable and appropriate safeguards to prevent unauthorized access to your account, and to not share your account credentials with any third party or allow anyone else to log into our IRA Compliance Portal as you. You are responsible for all activities that occur under your member account. If you believe that your account is no longer secure, you agree to notify us immediately. Baker Tilly may occasionally send notices to the email address registered with your account. You must keep your email address and, where applicable, your contact details associated with your account current and accurate.

You represent and warrant that you will comply with all laws and regulations applicable to your use of the Services.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE IRA COMPLIANCE PORTAL AND SERVICES ARE PROVIDED “AS IS” AND BAKER TILLY DOES NOT MAKE WARRANTIES OF ANY KIND, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING THOSE OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OR ANY REPRESENTATIONS REGARDING AVAILABILITY, RELIABILITY, OR ACCURACY OF THE SERVICES.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, BAKER TILLY, ITS AFFILIATES, OFFICERS, EMPLOYEES, AGENTS, SUPPLIERS, AND LICENSORS WILL NOT BE LIABLE FOR (A) ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES WHATSOEVER, OR (B) LOSS OF USE, DATA, BUSINESS, REVENUES, OR PROFITS (IN EACH CASE WHETHER DIRECT OR INDIRECT), ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE IRA Compliance PORTAL AND THESE TERMS, AND WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY, EVEN IF BAKER TILLY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF A REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE AGGREGATE LIABILITY OF EACH OF BAKER TILLY, ITS AFFILIATES, OFFICERS, EMPLOYEES, AGENTS, SUPPLIERS, AND LICENSORS ARISING OUT OF OR IN CONNECTION WITH YOUR USE OF THE PORTAL AND THESE TERMS WILL NOT EXCEED US\$100.00.

You will indemnify and hold harmless Baker Tilly and its affiliates, officers, agents, and employees from all liabilities, damages, and costs (including settlement costs and reasonable attorneys' fees) ("Indemnification Amounts") arising out of a third-party claim regarding or in connection with your use of the IRA Compliance Portal or breach of this Agreement, to the extent that such liabilities, damages and costs were caused by you.

Privacy

How We Protect Your Information: We follow industry standard security measures (including physical, electronic, and procedural measures) to help safeguard your information from unauthorized access and disclosure. We also require employees to comply with information security safeguards, we use encryption in the transmission of your information between your system and ours, and we use firewalls and other intrusion detection and prevention controls to help prevent unauthorized persons from gaining access to your information. No system can be completely secure. Therefore, although we take steps to secure your information, we cannot guarantee that your information, searches, or other communication will always remain secure. To the extent allowed under applicable law, Baker Tilly is not liable for any data security incidents that may impact the IRA Compliance Portal.

Fees: IRA Compliance Portal

Expected fees and invoicing/payment protocols will be set forth in a statement of work that will be sent to your attention for signature. No services will be performed by Baker Tilly absent a signed statement of work.

All text, graphics, photographs, videos, sound, trademarks, logos, artwork, interfaces and computer code, including but not limited to the design, coordination, "look and feel" and arrangement of elements contained on the IRA Compliance Portal (collectively "Content") is owned or licensed by or to Baker Tilly. The Content is protected by trademark, copyright, and patent laws, and other intellectual property rights and unfair competition laws.

Except as expressly stated herein, no part of the IRA Compliance Portal may be copied, reproduced, republished, uploaded, posted, publicly displayed, encoded, transmitted or distributed in any way, including the use of framing or mirrors, to any other computer, server, website or other medium for publication or distribution or for any commercial enterprise, without Baker Tilly's prior written permission. Nothing on the Websites should be construed as granting any license or right to use any Content.

The Equal Credit Opportunity Act (ECOA) prohibits Providers from discriminating against credit applicants

on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The agency that administers compliance with this law varies by Lender depending on its lending authority, but may include the Federal Trade Commission, Equal Credit Opportunity, Consumer Response Center, Washington, DC 20580 or at 1-877-FTC-HELP (1-877-382-4357; TDD 1-866-653-4261; or at www.ftc.gov.