

CITY COMMISSION AGENDA

City Hall Commission Chambers

Tuesday, March 8, 2011

7:00 p.m.

MEETING #4839

CALL TO ORDER

ROLL CALL

INVOCATION: by Rev. Jeff Turner of the First Missionary Church

PLEDGE OF ALLEGIANCE

PETITIONS & PROCLAMATIONS

National Problem Gambling Awareness Week

Great American Clean Up Proclamation

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).

Character Trait - Boldness

CONSENT CALENDAR

1. Approval of City Commission Meeting minutes, February 21, 2011
2. Approval of Joint City/County Commission Meeting minutes, February 26, 2011
3. Appropriation Ordinance No. 5, March 7, 2011
4. Cereal Malt Beverage License
 - a. Quick Pick, Inc., 2501 Central Avenue
5. Approval of Contract with D&J Shows.

ORDINANCES & RESOLUTIONS

Ordinance No. 3511: An Ordinance Rezoning a Tract of Land in a Vacated Portion of Riverside Addition From R-1, Residential Low Density to C-2, Commercial Highway. Report by Director of Developmental Services, Dennis Veatch.

Resolution No. 2011-04: A Resolution of the Governing Body of the City of Dodge City, Kansas Determining That the City is Considering Establishing a Rural Housing Incentive District Within the City and Adopting a Plan For the Development of Housing and Public Facilities in Such Proposed District; Establishing the Date and Time of a Public Hearing on Such Matter, and Providing for the Giving of Notice of Such Public Hearing (Summerlon Properties, L.L.C. Project). Report by Assistant City Manager, Cherise Tieben.

Resolution No. 2011-05: A Resolution Making Certain Findings and Determinations as to the Need for Housing Within the City of Dodge City, Kansas and Setting Forth the Legal Description of Real Property Proposed to be Designated as a Rural Housing Incentive District Within the City. Report by Assistant City Manager, Cherise Tieben

Resolution No. 2011-06: A Resolution Determining the Advisability of the Making of Certain Internal Improvements in Wagon Wheel Addition in the City of Dodge City, Kansas, and Setting Forth the General Nature of the Improvement, the Extent of the Improvement District to be Assessed for the Cost Thereof, the Method of Assessment, and the Proposed Apportionment of the Cost Between the Improvement District and the City at Large; and Authorizing and Providing for the Making of the Improvement in Accordance with the Findings of the Governing Body. Report by Director of Finance/City Clerk, Nannette Pogue.

Resolution No. 2011-07: A Resolution Making Certain Findings and Determinations as to the Need for Housing Within the City of Dodge City, Kansas and Setting Forth the Legal Description of Real Property Proposed to be Designated as a Rural Housing Incentive District Within the City. Report by Assistant City Manager, Cherise Tieben

UNFINISHED BUSINESS

NEW BUSINESS

1. Approval of Energy Conservation Guidelines. Report by Energy Manager, Morris Reeves.
2. Approval of CDBG Grant Agreement. Report by Director of Finance/City Clerk, Nannette Pogue.
3. Letter of Intent for T-Works Grant. Report by City Manager, Ken Strobel.
4. Approval of payment for Easements for Water Reclamation Facility Pipeline. Report by City Engineer, Ray Slattery.

5. Approval of Proposal from APAC Kansas Inc., Shears Division for the construction of the Infrastructure Improvements for the Wagon Wheel Sub-Division. Report by City Engineer, Ray Slattery.
6. Approval of Contract with United States Auto Club (USAC) to operate Dodge City Raceway Park. Report by Assistant City Manager, Cherise Tieben.

OTHER BUSINESS

ADJOURNMENT

PROCLAMATION

WHEREAS, on behalf of the citizens of Dodge City, we join the Southwest Kansas Problem Gambling Task Force in promoting March 6-12, 2011, as National Problem Gambling Awareness Week in Dodge City; and

WHEREAS, promoting the awareness week provides individuals in the problem gambling community an opportunity to educate the public and policymakers about the social and financial effectiveness of services available for problem gambling; and

WHEREAS, problem gambling is a public health issue affecting millions of Americans of all ages, races, and ethnic backgrounds in all communities and which has a significant societal and economic cost; and

WHEREAS, problem gambling is treatable and treatment is effective in minimizing the harm to both individuals and society as a whole; and

WHEREAS, numerous individuals, professionals and organizations have dedicated their efforts to the education of the public about problem gambling and the availability and effectiveness of treatment; and

WHEREAS, the Southwest Kansas Problem Gambling Task Force invite all residents of Dodge City and Southwest Kansas to participate in National Problem Gambling Awareness Week.

NOW, THEREFORE, by virtue of the authority vested in me as the Mayor of the City of Dodge City, do hereby proclaim the week of March 6-12, 2011 as

National Problem Gambling Awareness Week

and encourage all citizens to help spread the message that there is help for problem gamblers through treatment.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the City of Dodge City to be affixed, this 8th day of March, 2011.

E. Kent Smoll, Mayor

Nannette Pogue, City Clerk

PROCLAMATION

WHEREAS, Keep America Beautiful, Inc., is a national nonprofit organization dedicated to helping individuals improve their community environments, and has established the Great American Cleanup™ as its signature national effort for involving American citizens in environmental stewardship;

WHEREAS, Keep America Beautiful's Great American Cleanup, is celebrating its 27th Anniversary in 2011, featuring a over 3 million volunteers participating in over 30,000 events in over 32,000 communities in all 50 states;

WHEREAS, The National Sponsors of the 2011 Great American Cleanup are: The Dow Chemical Company; The Glad Products Company; Lowe's Companies, Inc. through the Lowe's Charitable and Educational Foundation; Nestlé® Pure Life® Purified Water; PepsiCo's Pepsi-Cola and Gatorade companies; The Scotts Miracle-Gro Company; Solo Cup Company; Waste Management.; Troy-Bilt® Lawn and Garden Equipment; Wm. Wrigley Jr. Co.; Promotional Partners, Crescent Art and Framing Products , Miss America Organization, and Owens-Illinois, Inc.; and Educational Partner, Rubber Manufacturers Association;

WHEREAS, the City of Dodge City is proud of its natural resources and its neighborhoods and seeks to protect and improve our community through the action of citizens, schools, government and businesses working together;

WHEREAS, Keep Dodge City Beautiful has recognized the important commitment to improve American communities through litter prevention, beautification and solid waste management initiatives, and are committed to help spread the word about the importance of volunteerism and motivate everyone in our communities to become stewards of the environment;

NOW, THEREFORE, I, E. Kent Smoll, Mayor of Dodge City do hereby proclaim March 1st as the kick off of Keep Dodge City Beautiful's

Great American Cleanup for 2011

and call upon our citizens to join in activities that promote responsible environmental stewardship and help us renew our commitment to building a better world today and for future generations. So declared on this 8th day of March, 2011.

SEAL

E. Kent Smoll, Mayor

Nannette Pogue, City Clerk

March 2011

CITY CHARACTER TRAIT

BOLDNESS

Boldness - like most character qualities - is like a muscle we exercise.

When we offer bold ideas, start a difficult conversation, or stand up for what is right, we increase our ability to act with courage.

Fear of what others think may cause a person to lower his or her own standards of good conduct in order to please.

It's not that a courageous person has no fear, it's that he or she values something else more than whatever causes the apprehension.

Boldness is courage when it counts.

CITY COMMISSION MINUTES

City Hall Commission Chambers

Monday, February 21, 2011

7:00 p.m.

MEETING #4837

CALL TO ORDER

ROLL CALL: Mayor Kent Smoll, Commissioners Rick Sowers, Jim Sherer, Monte Broeckelman and Michael Weece were present.

INVOCATION: by Captain Joaquin Rangel of the Salvation Army

PLEDGE OF ALLEGIANCE

PETITIONS & PROCLAMATIONS

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

CONSENT CALENDAR

1. Approval of City Commission Meeting minutes, February 7, 2011
2. Appropriation Ordinance No. 4, February 21, 2011
3. Approval of appraisal recommendations for utility easements and temporary construction easements for pipeline for the Wastewater Reclamation Facility.

Commissioner Jim Sherer moved to approve the Consent Calendar as presented, seconded by Commissioner Monte Broeckelman. The motion carried unanimously.

ORDINANCES & RESOLUTIONS

Resolution No. 2011-03: A Resolution Revising Appendix A of the Dodge City Municipal Code – Cemetery Fees was approved on a motion by Commissioner Monte Broeckelman, seconded by Commissioner Rick Sowers. The motion carried 5-0.

Commissioner Rick Sowers, moved to amend the Agenda to add two (2) items; a New Business item (Approval of payment to acquire easements for pipeline for the Wastewater Reclamation Facility) and an Executive Session. Commissioner Monte Broeckelman seconded the motion. Motion carried 5-0.

UNFINISHED BUSINESS**NEW BUSINESS**

1. The 2011 Street Program was approved as presented on a motion by Commissioner Jim Sherer, seconded by Commissioner Monte Broeckelman. The motion carried 5-0.
2. The renovations to the Mariah Hills Clubhouse Basement in the amount not to exceed \$75,373.00 was approved on a motion by Commissioner Jim Sherer, seconded by Commissioner Michael Weece. The motion carried 3-2, Commissioner's Monte Broeckelman and Rick Sowers opposed the motion.
3. The easement acquisition for pipeline for the Wastewater Reclamation Facility for a total cost of \$12,550 with Angel & Julia Romero, along with authorization for the City Clerk to authorize settlement documents was approved on a motion by Commissioner Monte Broeckelman, seconded by Commissioner Rick Sowers. The motion carried 5-0.

OTHER BUSINESS

Ken Strobel, City Manager:

- Exciting two weeks with the opening of the United Wireless Arena, also recognized VenuWorks and their crew. Asked the public to be patient about operations of the facility;
- Reminder – Senator Pat Roberts breakfast is Wednesday, February 23rd at 7:30 a.m.;
- SW KS Chamber Reception in Topeka is Thursday, February 24th; and
- Joint City/County Commission Meeting on Saturday, February 26th at 8:00 a.m. in the Rose Room at the Government Center.

Commissioner Jim Sherer:

- Excited that a lot of people were out enjoying the Events Center.

Commissioner Rick Sowers:

- Echo everyone else's thoughts on the Events Center;
- Need to address trucks on Comanche;
- Attended both concerts – great to see all the people; and
- Thanked all the people who have worked on the project.

Commissioner Monte Broeckelman:

- If you haven't been out to United Wireless Arena – encourage you to go, it is really nice; and
- Congrats to the Wildcats last week.

Commissioner Michael Weece;

- Exciting weekend – all the events were well attended.

Mayor Kent Smoll:

- Special Thanks to Ralph Nall, Special Events Center Manager;
- Thanked the County, CFAB and VenuWorks; and
- Expressed sympathy to Cindy Malek in the loss of her mother.

EXECUTIVE SESSION: At 7:55 p.m., Commissioner Jim Sherer moved to adjourn to Executive Session to discuss non-elected personnel, not to exceed 15 minutes. Commissioner Rick Sowers seconded the motion, the motion carried 5-0.

Commissioner Rick Sowers moved to extend the Executive Session 10 minutes, Commissioner Monte Broeckelman seconded the motion. The motion carried 5-0.

The regular meeting reconvened at 8:20 p.m.

ADJOURNMENT: Commissioner Monte Broeckelman moved to adjourn the meeting; Commissioner Michael Weece seconded the motion. The motion carried 5-0.

E. Kent Smoll, Mayor

ATTEST:

Nannette Pogue, City Clerk

JOINT CITY/COUNTY COMMISSION MINUTES

Rose Room – Government Center

Saturday, February 26, 2011

8:00 a.m.

MEETING #4838

CALL TO ORDER

ROLL CALL:

City of Dodge City: Mayor Kent Smoll, Commissioners Rick Sowers, Monte Broeckelman and Michael Weece. Commissioner Jim Sherer was reported absent.

Ford County: Chairman Kim Goodnight, Commissioners Terry Williamson and Jerry King.

FINANCIAL REPORT FOR CFAB PROJECTS was given by Director of Finance/City Clerk, Nannette Pogue.

NEW BUSINESS

1. The CFAB Organizational Funding Recommendations totaling \$464,000 for the following was discussed:

Boothill Museum - \$155,000; \$85,000 for staff wages and fringe benefits, \$70,000 for property maintenance, equipment & exhibits, utility expenses and Insurance Hazard D&O

Ford County Historical Society, Inc - \$10,000 for Mueller-Schmidt House Museum summer tour guides, advertising, website-150 Kansas updates, utility expenses, insurance expense and archive material and equipment expenses

Dodge City Area Arts Council - \$20,000 for utility expenses, printing and postage expenses, insurance and security expenses, and building and equipment expenses

The Depot Theater Company - \$150,000 for administrative staff, Santa Fe Depot Theater building utility expenses, Santa Fe Depot Theater building insurance and maintenance expenses

Windthorst Heritage, Inc. - \$44,000 for concrete demolition and construction around building foundation, roof, flashing and gutter repair, and repair of 2 flat deck roofs

Dodge City Roundup, Inc. - \$75,000: \$20,000 for increase in contestant payout and cost of their stall and hookup fees, \$55,000 for capital improvements (replacement of wooden flooring, replace sound production booth, create VIP seating, and update electrical RV hookups).

City action: Commissioner Sowers moved and Commissioner Weece seconded the motion to approve the CFAB organizational funding recommendations. The motion carried 3-1 with Broeckelman voting no.

County Action: Commissioner Goodnight moved, Commissioner Williams seconded the motion to approve the CFAB organizational funding recommendations. The motion carried 3-0.

2. The CFAB Tourism Task Force Budget Recommendations for a total of \$386,524 in the following amounts were discussed:

Arts and Tourism Director plus overhead - \$94,000

Depot development - \$157,577

Foundation center software for grant purposes - \$1,295

Grant application consultant - \$20,000

50/50 Match for façade removal downtown - \$50,000

Pigeon Eradication program - \$25,000

Contingency - \$38,652

City action: Commissioner Sowers moved to approve the recommendation. Commissioner Broeckelman seconded the motion. The motion carried 4-0.

County action: Commissioner King moved, Commissioner Williams seconded the motion to approved the recommendation. The motion carried 3-0.

Commissioner Monte Broeckelman left the meeting.

3. *City action:* The 2011 Special Sales Tax Fund Budget including a \$2,500,000 transfer for 2010 into a Depreciation and Replacement Fund and an annual transfer of \$750,000 into this fund, with authority for Mayor to work with Ford County in developing a policy for this fund was approved on a motion by Commissioner Kent Smoll, seconded by Commissioner Michael Weece. The motion carried 3-0.

County action: Commissioner Goodnight moved to approve the 2011 Special Sales Tax Fund budget including a \$2,500,000 transfer for 2010 into a Depreciation and Replacement Fund and an annual transfer of \$750,000 into this fund, with authority for Chairman to work with the City in developing a policy for this fund. The motion was seconded by Commissioner King. The motion carried 3-0.

4. *City action:* The VenuWorks 2011 Business Plan and Budget was approved on a motion by Commissioner Sowers, seconded by Commissioner Weece. The motion carried 3-0

County action: Commissioner Goodnight moved, Commissioners Williams seconded the motion to approve the VenuWorks 2011 Business Plan and Budget. The motion carried 3-0.

5. *City action:* The Addendum to VenuWorks Management Agreement was approved on a motion by Commissioner Weece, seconded by Commissioner Sowers. The motion carried 3-0.

County action: Commissioner King moved, Commissioner Williams seconded the motion to approve the Addendum to the VenuWorks Management Agreement. The motion carried 3-0.

6. A report was given by Ralph Nall, United Wireless Arena General Manager regarding the opening of the Events Center. Over 12,000 people have gone through the doors since the opening.

County Action: Item was discussed.

ADJOURNMENT

City Action: Commissioner Sowers moved and Commissioner Weece seconded the motion to adjourn the meeting. The motion carried 3-0.

County action: Commissioner Goodnight moved, Commissioner Williams seconded the motion to adjourn. The motion carried 3-0.

E. Kent Smoll, Mayor

ATTEST:

Nannette Pogue, City Clerk

**INDIVIDUAL/SOLE PROPRIETOR
APPLICATION FOR LICENSE TO SELL CEREAL MALT BEVERAGES**

(This form has been prepared by the Attorney General's Office)

City or County of Dodge City, Ks. Ford County

SECTION 1 - LICENSE TYPE	
Check One: <input type="checkbox"/> New License <input checked="" type="checkbox"/> Renew License	
Check One:	
<input type="checkbox"/> License to sell cereal malt beverages for consumption on the premises.	
<input checked="" type="checkbox"/> License to sell cereal malt beverages in original and unopened containers and not for consumption on the licenses premises.	

SECTION 2 - APPLICANT INFORMATION			
Kansas Sales Tax Registration Number (required):			
Name	Phone No.	Date of Birth	
<u>Quick Pick, Inc</u>	<u>(620)-371-7217</u>	<u>2-1-70</u>	
Residence Street Address	City	State	Zip Code
<u>2501 Central Ave</u>	<u>Dodge</u>	<u>KS</u>	<u>67801</u>
Applicant Spousal Information			
Spouse Name	Phone No.	Date of Birth	
<u>Laura Alhaj</u>	<u>(620)-371-7217</u>		
Residence Street Address	City	State	Zip Code
<u>2501 Central Ave</u>	<u>Dodge</u>	<u>KS</u>	<u>67801</u>

SECTION 3 - LICENSED PREMISE			
Licensed Premise (Business Location)		Mailing Address	
DBA Name	Name		
<u>Quick Pick, Inc</u>			
Business Location Address	Address		
<u>2501 Central Ave</u>			
City	State	City	State
<u>Dodge</u>	<u>KS</u>		
Zip	Zip		
<u>67801</u>			
Business Phone No.	<input type="checkbox"/> I own the proposed business location.		
<u>(620)-371-7217</u>	<input type="checkbox"/> I do not own the proposed business location.		
Business Location Owner Name(s)	<u>NAGREB ALHAJ</u>		

SECTION 4 - APPLICANT QUALIFICATION	
I am a U.S. Citizen	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I have been a resident of Kansas for at least one year prior to application.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I have resided within the state of Kansas for <u>Seven</u> years. <u>73</u>	
I am at least 21 years old.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Within 2 years immediately preceding the date of this application, neither I nor my spouse ¹ has been convicted of, released from incarceration for or released from probation or parole for any of the following crimes: (1) Any felony; (2) a crime involving moral turpitude; (3) drunkenness; (4) driving a motor vehicle while under the influence of alcohol (DUI); or (5) violation of any state or federal intoxicating liquor law.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
My spouse has previously held a CMB license.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
My spouse has never been convicted of one of the crimes mentioned above while licensed.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**INDIVIDUAL/SOLE PROPRIETOR
APPLICATION FOR LICENSE TO SELL CEREAL MALT BEVERAGES**
(This form prepared by the Attorney General's Office)

SECTION 5 – MANAGER OR AGENT QUALIFICATION			
My place of business will be conducted by a manager or agent.			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, provide the following:			
Manager/Agent Name	Phone No.	Date of Birth	
<u>Ngiseeb ALHAS</u>	<u>(620)-371-7217</u>		
Residence Street Address	City	Zip Code	
<u>2615 Gary AVE</u>	<u>DOJSE</u>	<u>KS 67801</u>	
Manager or Agent Spousal Information			
Spouse Name	Phone No.	Date of Birth	
<u>Laura ALHAS</u>	<u>(620)-371-7217</u>		
Residence Street Address	City	Zip Code	
<u>2615 Gary AVE</u>	<u>DOJSE</u>	<u>KS 67801</u>	
Qualification Statement			
My manager/agent and his/her spouse ² meets all of the qualifications in Section 4.			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

I declare under penalty of perjury under the laws of the State of Kansas that the foregoing is true and correct. (K.S.A. 52-601)

SIGNATURE Ngiseeb ALHAS DATE 02-16-2011

FOR CITY/COUNTY OFFICE USE ONLY:			
<input checked="" type="checkbox"/>	License Fee Received Amount \$	<u>50⁰⁰</u>	Date <u>2-18-11</u>
(\$25 - \$50 for Off-Premise license or \$25-200 On-Premise license)			
<input checked="" type="checkbox"/>	\$25 CMB Stamp Fee Received	Date <u>2-18-11</u>	
<input type="checkbox"/>	Background Investigation	<input type="checkbox"/> Completed Date _____	<input type="checkbox"/> Qualified <input type="checkbox"/> Disqualified
<input type="checkbox"/>	New License Approved	Valid From Date _____ to _____	By: _____
<input type="checkbox"/>	License Renewed	Valid From Date _____ to _____	By: _____

A PHOTOCOPY OF THE COMPLETED FORM, TOGETHER WITH THE STAMP FEE REQUIRED BY K.S.A. 41-2702(e), MUST BE SUBMITTED WITH YOUR QUARTERLY REPORT (ABC-301) TO THE ALCOHOLIC BEVERAGE CONTROL, 915 SW HARRISON STREET ROOM 214, TOPEKA, KS 66625-3512.

¹ If renewal application, applicant's spouse not required to meet the no criminal history requirement. K.S.A. 41-2703(b)(9)
² Spouse not required to be U.S. citizen, Kansas resident or over 21 years of age. K.S.A. 41-2703(b)(9)



D & J SHOWS

DON COSTELLO
821 N 14TH AVE
DODGE CITY, KS 67801
620-227-8882

LICENSE

THIS CONTRACT, made and entered into this 22nd day of February, 2011, between the City of Dodge City, Kansas, hereinafter called the CITY, and Don Costello, hereinafter called the LICENSEE.

WITNESSETH: That in consideration of the stipulations and agreements hereinafter contained, the City hereby grants to the licensee a license to operate Small Amusement Rides and a Refreshment Stand in Wright Park in Dodge City, Kansas. Such times, dates and places shall be approved by the City with daily operations to terminate not later than 10:00pm prevailing time. This license shall extend for a term of one (1) year from the date hereof and may be renewed only upon approval of both parties hereto.

In consideration of such license, the licensee agrees to pay to the City, 10% of all Gross Income, after deduction the Federal Amusement Tax and State Sales Tax. Licensee shall make available to City, upon request, all bookkeeping records of income for verification of Gross Income of Licensee for year covered by this agreement.

It is agreed that Licensee is an independent contractor and that he will hold the City harmless from any expense or damage by reason of operation under this license. Licensee, as an additional consideration for the granting of this license, will secure at his cost, one or more policies of public liability insurance in an amount which shall not be less than the liability of the City, established by the Tort Claim Act, K.S.A. supp. 75-601, and as the same may be from time to time amended. The policy or policies of insurance shall be filed with the City Clerk and shall contain an agreement of the company issuing said policy that thirty (30) days notice shall be given prior to cancellation of the policy during this term. At any time there is no insurance in effect, as required by this license, this license shall terminate and be of no further effect.

Licensee acknowledges the City's efforts to improve the condition and appearance of Wright Park. Licensee further agrees to maintain facilities in the ride and concession area in order to make them more attractive. Failure of the Licensee to maintain all rides, equipment and other personal property owned by Licensee, in good and safe condition, or to comply with all applicable City Code Sections may at the option of the City, cause this license to be terminated. City also agrees to furnish 10 trash barrels to the Licensee for the carnival area in order to maintain this part of the agreement.

In the event Licensee fails to comply with any of the terms of this license, City may terminate this license by giving Licensee thirty (30) days notice, in writing and delivered in person or by certified mail to Licensee's address as shown below.

Licensee's signature affixed to this license shall evidence his acceptance of the license and his agreement to be bound by and to comply with the same. This license shall not become effective until signed by all parties below.

THE CITY OF DODGE CITY

BY _____
MAYOR

ATTEST:

CITY CLERK



LICENSEE, DON COSTELLO, 821 N 14TH AVE
DODGE CITY, KS 67801

Memorandum

*To: City Manager
Assistant City Manager
City Commissioners*

From: Dennis Veatch

Date: February 28, 2011

Subject: 208 Sunflower Rezoning

Agenda Item: Ordinance No. 3511

Recommendation: The Dodge City Zoning Board recommends approval of this Zoning amendment.

Background: Lillian Brown, Brown Trust has submitted a request to rezone this property to C-2, Commercial Highway for the purpose of general retail services. This property has been used for a variety of commercial uses in the past with the underlying zone remaining residential.

Justification: The Comprehensive Plan indicates that this site is located on the fringe of a High Accessibility Corridor and commercial uses are best served in this area.

Financial Considerations: None

Purpose/Mission: To promote development and bring areas like this into compliance with current city codes.

Legal Considerations: None

Attachments: Ordinance No. 3511, Development Services Report and map showing proposed rezoning.

ORDINANCE NO. 3511

AN ORDINANCE REZONING A TRACT OF LAND IN A VACATED PORTION OF RIVERSIDE ADDITION FROM R-1, RESIDENTIAL LOW DENSITY TO C-2, COMMERCIAL HIGHWAY.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS:

SECTION 1: The following described real property located in Dodge City, Ford County, Kansas is hereby:

Lots 1-12, Block 7, Vacated Riverside Addition along with the South 11.1 feet of vacated Beech Street lying North of and adjacent to said Block 7 and a portion of vacated Clayton Street extending from the North line of Cherry Street to a point 11.1 feet North of the Northwest corner of Lot 1, Block 6 and to a point 11.1 feet North of the Northeast corner of Lot 12, Block 7, Riverside Addition vacated, Dodge City, Ford County, Kansas.

SECTION 2: This ordinance shall take effect, from and following its publication in the official paper, as required by law.

PASSED BY THE CITY OF DODGE CITY GOVERNING BODY, IN REGULAR SESSION AND APPROVED BY THE MAYOR, THIS EIGHTH DAY OF MARCH, 2011.

E. KENT SMOLL, MAYOR

ATTEST:

NANNETTE POGUE, CITY CLERK

**CITY OF DODGE CITY
DEVELOPMENT SERVICES REPORT
CASE NO. 10-24**

APPLICANT: Lillian Brown

REQUEST: Rezoning, 208 Sunflower Rezoning

SURROUNDING LAND USES (ZONING):

North- R-2, Residential Medium Density
South- R-2, Residential Medium Density & C-2 Commercial Highway
East- R-2, Residential Medium Density
West- C-2, Commercial Highway

BACKGROUND

Lillian Brown, Brown Trust has submitted a request to rezone this property to C-2, Highway Commercial for the purpose of retail. This property has been used for a variety of uses in the past. Broce Construction & Manufacturing, Northend Disposal and several mechanic shops have all used this property with the underlying zone remaining residential. Ford County Appraisal indicates the building was constructed in 1960 but we do not have any permit records for this property.

ANALYSIS

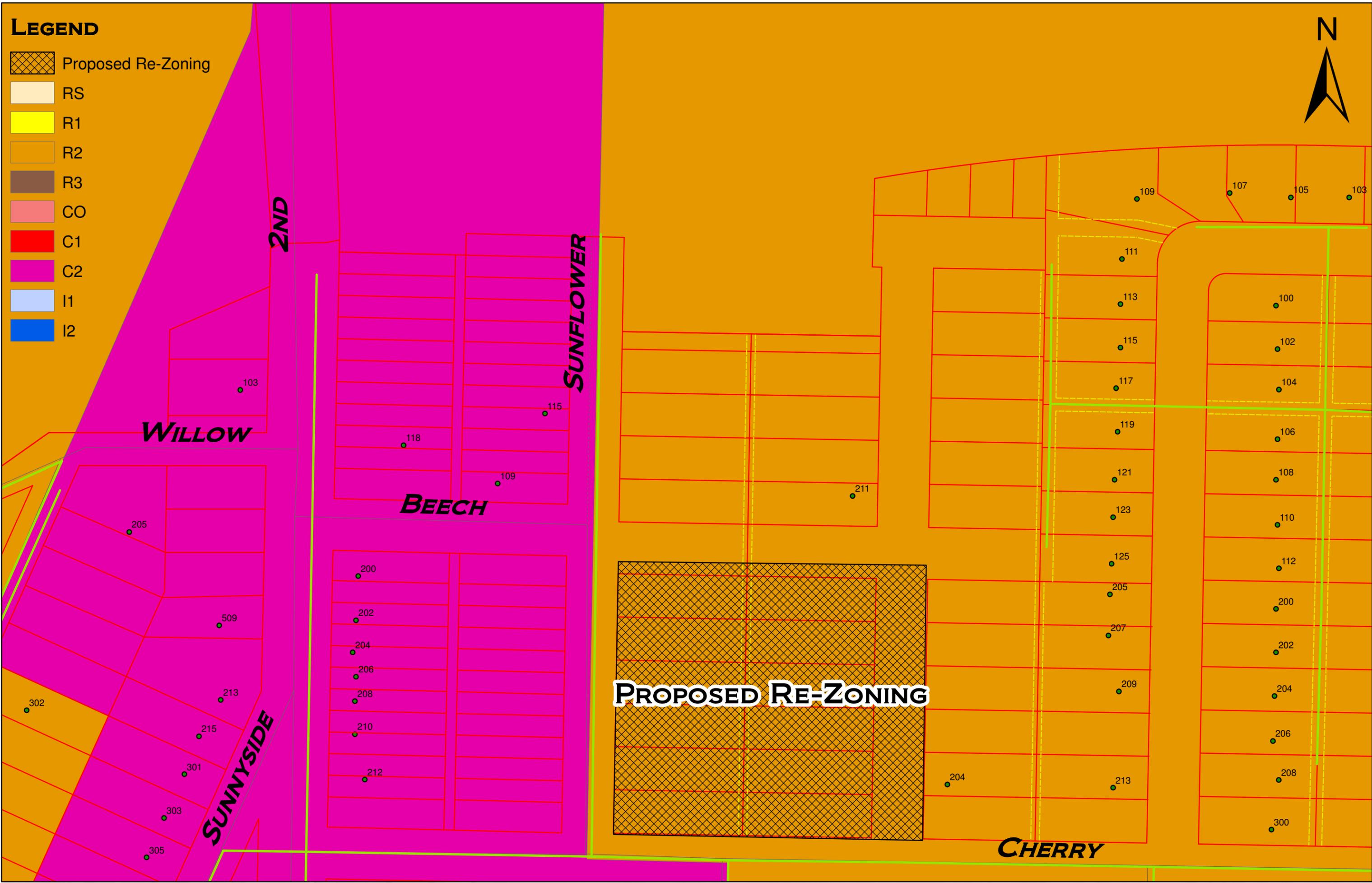
The Comprehensive Plan indicates that this site is located on the fringe of a High Accessibility Corridor Category II. Category II areas exhibit the need for improvement concerning adequate parking, landscaping, good structural and grounds maintenance in general. Please note all policies regarding High Accessibility Corridors.

RECOMMENDATION

Development Services staff recommends that the Zoning Board **approve** this application subject to making every effort to bring this site up to a Category I.

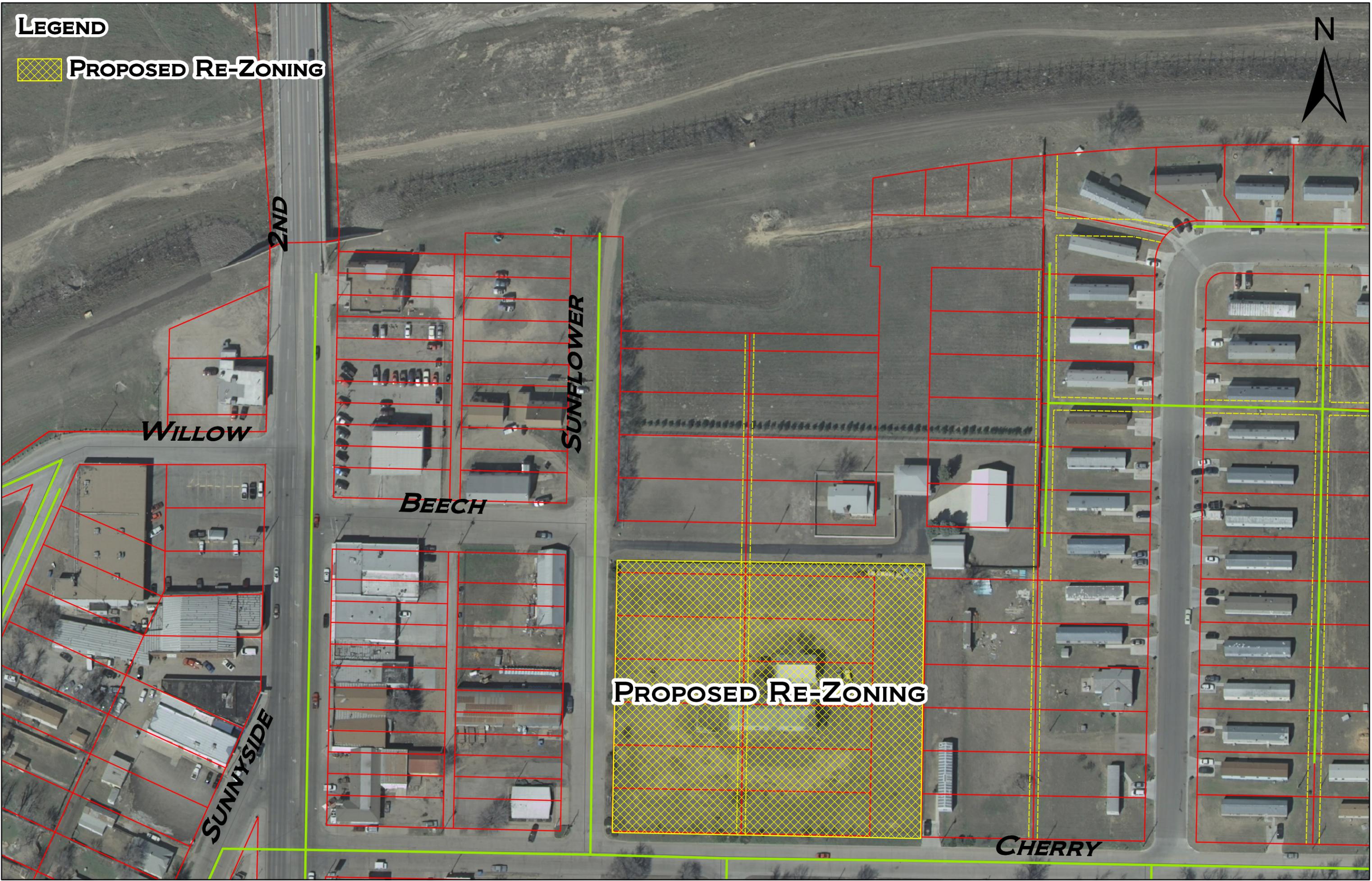
LEGEND

-  Proposed Re-Zoning
-  RS
-  R1
-  R2
-  R3
-  CO
-  C1
-  C2
-  I1
-  I2



LEGEND

 **PROPOSED RE-ZONING**



Memorandum

To: City Commissioners
From: Cherise Tieben/Ken Strobel
Date: March 4, 2011
Subject: Summerlon Phase II
Agenda Item: Resolution 2011-04

Recommendation: Staff recommends adoption of Resolution 2011-04 which states City's intent to establish a Rural Housing Incentive District (RHID) for the construction of the Summerlon Phase II single family housing development and establishes a date for a Public Hearing concerning the matter.

Background: In 2008, the City commissioned a Housing Needs Analysis which reflected a critical shortage of housing available in the community. In 2009, the City Commission adopted a Resolution providing for several incentive programs in order to encourage housing development in the City. The RHID was identified as one of those programs. The program has captured the attention of several developers, locally and statewide. Working with City Staff the group has prepared a development plan providing for a 20 single family homes to be located on the North end of Fairway Drive.

Under the proposed RHID plan, the Summerlon Properties, L.L.C., has financed the infrastructure and will utilize multiple developers to construct 20 single family homes. The land developer is then reimbursed for a portion of the infrastructure costs through the incremental real estate taxes assessed against the completed improvements, which allows the developer to price the land at an affordable rate.

Justification: Establishment of the RHID is necessary in order to address the City's critical housing shortage.

Financial Considerations: Infrastructure costs are paid by the incremental real estate tax resulting from the development.

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

Legal Considerations: The RHID is established under the statutory provisions authorizing city's of our size to provide incentives for housing development as approved by the State Department of Commerce.

Attachments: Resolution 2011-04

RESOLUTION NO. 2011-04

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

WHEREAS, K.S.A. 12-5241 *et seq.* (the “Act”) authorizes any city incorporated in accordance with the laws of the state of Kansas (the “State”) with a population of less than 40,000 located in a county with a population of less than 60,000, to designate rural housing incentive districts within such city; and

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

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

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

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

WHEREAS, the City of Dodge City, Kansas (the “City”) has an estimated population of approximately 28,000, is located in Ford County, Kansas, which has an estimated population of approximately 34,000, and therefore constitutes a city as said term is defined in the Act; and

WHEREAS, the Governing Body of the City has performed a Housing Needs Analysis dated April 23, 2008 (the “Analysis”), a copy of which is on file in the office of the City Clerk; and

WHEREAS, the Governing Body of the City has heretofore adopted Resolution No. 2009-20 which made certain findings relating to the need for financial incentives relating to the construction of quality housing within the City, declared it advisable to establish a Rural Housing Incentive District pursuant to the Act and authorized the submission of such Resolution

and a Housing Needs Analysis to the Kansas Department of Commerce in accordance with the provisions of the Act; and

WHEREAS, the Secretary of the Kansas Department of Commerce, pursuant to a letter dated July 28, 2010, authorized the City to proceed with the establishment of a Rural Housing Incentive District pursuant to the Act (the “District”); and

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

WHEREAS, the Plan includes:

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

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

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

Section 1. Proposed Rural Housing Incentive District. The Governing Body hereby declares an intent to establish within the City a Rural Housing Incentive District. The District is proposed to be formed within the boundaries of the real estate legally described in *Exhibit A* attached hereto, and shown on the map depicting the existing parcels of land attached hereto as *Exhibit B*. A list of the names and addresses of the owners of record of all real estate parcels within the proposed District and the existing assessed valuation of said real estate, listing the land and improvement values separately, is attached hereto as *Exhibit C*.

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

Section 3. Public Hearing. Notice is hereby given that a public hearing will be held by the Governing Body of the City to consider the establishment of the District and adoption of the Plan on April 18, 2011, at the City Commission Meeting Room, City Hall, 806 N. Second Avenue, Dodge City, Kansas 67801; the public hearing to commence at 7:00 p.m. or as soon thereafter as the Governing Body can hear the matter. At the public hearing, the Governing Body will receive public comment on such matters, and may, after the conclusion of such public hearing, consider the findings necessary for establishment of the District and adoption of the Plan, all pursuant to the Act.

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

- a. A certified copy of this resolution shall be delivered to:
 - (i) the Board of County Commissioners of Ford County, Kansas;
 - (ii) the Board of Education of U.S.D. No. 443; and
 - (iii) the Planning Commission of the City.

- b. This Resolution, specifically including *Exhibit A* thru *E* attached hereto, shall be published at least once in the official newspaper of the City not less than one week nor more than two weeks preceding the date of the public hearing.

Section 5. Further Action. The Mayor, City Manager, City Clerk and the officials and employees of the City, including the City Attorney, Stifel Nicolaus & Company, Inc., Financial Advisors and Gilmore & Bell, P.C. and Bond Counsel are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Resolution.

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

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ADOPTED by the Governing Body of the City of Dodge City, Kansas, on March ____, 2011.

(SEAL)

E. Kent Smoll, Mayor

ATTEST:

Nannette Pogue, City Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Resolution No. 2011-04 adopted by the Governing Body of the City on March ____, 2011 as the same appear of record in my office.

DATED: March ____, 2011

Nannette Pogue, City Clerk

EXHIBIT A

**LEGAL DESCRIPTION OF PROPOSED
RURAL HOUSING INCENTIVE DISTRICT BOUNDARIES
FOR SUMMERLON PROPERTIES, L.L.C. PROJECT**

Lots One (1), Two (2), Three (3), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13), and Fourteen (14), in Block Two (2); and Lots One (1), Two (2) and Three (3), in Block Three (3); and Lots Two (2), Three (3), Four (4), Five (5) and Six (6) in Block Four (4), Summerlon Phase II, an Addition to the City of Dodge City, Ford County, Kansas, according to the Plat recorded in Plat Book "E" at page 62.

EXHIBIT B

**MAP OF PROPOSED
RURAL HOUSING INCENTIVE DISTRICT BOUNDARIES
FOR SUMMERLON PROPERTIES, L.L.C. PROJECT**

EXHIBIT C

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

Owner of Record: Summerlon, Inc.
1902 Hi Street
Dodge City, KS 67801

Contract Purchaser: Summerlon Properties, L.L.C.
P.O. Box 608
Dodge City, KS 67801

Developer: Summerlon Properties, L.L.C.
P.O. Box 608
Dodge City, KS 67801

2009 Assessed Valuation: Land: \$9,741.00
Improvements: \$0 (vacant land)

EXHIBIT D

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

Housing Facilities

The housing facilities will be composed of twenty (20) single family residences. The housing facilities will be constructed in four phases as one project and consist of a variety of 2 and 3 bedroom single and two story design. Each individual family unit will have laundry hook-ups, cable television hook-ups and garage parking.

Public Facilities

Public improvements include the extension of water and sewer by the City of Dodge City and electric distribution lines to the boundaries of the District by Victory Electric. These improvements have been previously constructed and have been included in the value of the land.

Public improvements will also include construction of infrastructure improvements located within the boundaries of the District, including water, sanitary sewer, storm sewer, storm water detention, streets, street lighting and fire services. These improvements have been previously constructed and have been included in the value of the land.

EXHIBIT E

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

Contractual Assurances.

The Governing Body of the City of Dodge City has entered into a development agreement with Summerlon Properties, L.L.C. This agreement, as supplemented and amended, includes the project construction schedule, a description of projects to be constructed, financial obligations of the developer and financial and administrative support from the City of Dodge City.

Feasibility Study.

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

CERTIFICATE OF DELIVERY AND PUBLICATION

STATE OF KANSAS)
) §:
COUNTY OF FORD)

The undersigned, City Clerk of the City of Dodge City, Kansas (the “City”), does hereby certify, as follows:

- (a) On March ____, 2011, I caused a certified copy of Resolution No. 2011-04 with *Exhibits A* thru *E* attached (the “Resolution”), to be delivered to the following:
 - (1) the Board of County Commissioners of Ford County, Kansas;
 - (2) the Board of Education of U.S.D. No. 443; and
 - (3) the Planning Commission of the City.

- (b) I caused a copy of the Resolution to be published one time in *The Dodge City Daily Globe*, the official newspaper of the City, on March ____, 2011, which date was not less than one week nor more than two weeks after preceding the date fixed for the public hearing. A true copy of the affidavit of publication of the Resolution is attached to this Certificate.

WITNESS my hand and seal on March _____, 2011.

(Seal)

Nannette Pogue, City Clerk

Memorandum

To: City Commissioners
From: Cherise Tieben/Ken Strobel
Date: March 4, 2011
Subject: Candletree 5
Agenda Item: Resolution 2011-05

Recommendation: Staff recommends the acceptance of the CHAT report and approval of Resolution No. 2011-05 which permits staff to submit a proposed Rural Housing Incentive District to the Kansas Secretary of Commerce for approval.

Background: In April of 2008 the City and County received the CHAT report which provided our community with a housing needs and analysis. The report showed that our community housing needs were substantial and provided guidance to the areas which the cause of the shortage and efforts which can be made to correct the issue. The establishment of a Rural Housing Incentive District (RHID) is the first step towards providing an incentive that will entice developers to our community.

Justification: Numerous developers have reviewed their opportunities to pursue housing projects in our community. These projects, according to developers, will not cash flow and have not come to fruition due to infrastructure costs, high cost of building supplies, property taxes, low market/rent rates and other issues. Establishing a RHID will encourage the developers through incentives to pursue housing opportunities in our community. It is our hope that the resulting housing developments, will allow more families to join our community in order to fulfill the employment needs of our local businesses.

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

Purpose/Mission: This resolution assists staff by taking the first step to improving housing opportunities and therefore, improving the quality of life for our citizens.

Legal Considerations: None

Attachments: None

Resolution 2011-05

A RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS AS TO THE NEED FOR HOUSING WITHIN THE CITY OF DODGE CITY, KANSAS AND SETTING FORTH THE LEGAL DESCRIPTION OF REAL PROPERTY PROPOSED TO BE DESIGNATED AS A RURAL HOUSING INCENTIVE DISTRICT WITHIN THE CITY.

WHEREAS, K.S.A. 12-5241 et seq. (the “Act”) authorizes any city incorporated in accordance with the laws of the state of Kansas (the “State”) with a population of less than 40,000 located in a county with a population of less than 60,000, to designate rural housing incentive districts within such city; and

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

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

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

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

WHEREAS, the City of Dodge City, Kansas (the “City”) has an estimated population of 26,101, is located in Ford County, Kansas, which has an estimated population of 32,458 and therefore constitutes a city as said term is defined in the Act; and

WHEREAS, the Governing Body of the City has performed a Housing Needs Analysis dated April 23, 2008 (the “Needs Analysis”), a copy of which is on file in the office of the City Clerk; and

WHEREAS, based on the Needs Analysis, the Governing Body of the City proposes to commence proceedings necessary to create a Rural Housing Incentive District, in accordance with the provisions of the Act.

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

Section 1. The Governing Body hereby adopts and incorporates by this reference as part of this Resolution the Needs Analysis, a copy of which is on file in the

office of the City Clerk, and based on a review of said Needs Analysis makes the following findings and determinations.

Section 2. The Governing Body hereby finds and determines that there is a shortage of quality housing of various price ranges in the City despite the best efforts of public and private housing developers.

Section 3. The Governing Body hereby finds and determines that the shortage of quality housing can be expected to persist and that additional financial incentives are necessary in order to encourage the private sector to construct or renovate housing in the City.

Section 4. The Governing Body hereby finds and determines that the shortage of quality housing is a substantial deterrent to the future economic growth and development of the City.

Section 5. The Governing Body hereby finds and determines that the future economic wellbeing of the City depends on the Governing Body providing additional incentives for the construction or renovation of quality housing in the City.

Section 6. Based on the findings and determinations contained in *Sections 2* through *5* of this Resolution, the Governing Body proposes to establish a Rural Housing Incentive District pursuant to the Act, within boundaries of the real estate legally described in *Exhibit A-14* attached hereto, and shown on the maps depicting the existing parcels of land attached hereto as *B-14* (the “District”).

Section 7. The City Clerk is hereby directed to publish this Resolution one time in the official City newspaper, and to send a certified copy of this Resolution to the Secretary for the Secretary’s review and approval.

Section 8. This Resolution shall take effect after its adoption and publication once in the official City newspaper.

Approved this 8th day of March 2011 and signed by the Mayor.

E. Kent Smoll, Mayor

ATTEST:

Nannette Pogue, City Clerk

Resolution 2011-05
Exhibit A

A-14 Candletree 5 – legal description will be available at the meeting or the item will be pulled from the agenda.

Memorandum

*To: Ken Strobel, City Manager
Cherise Tieben, Assistant City Manager*

From: Nannette Pogue

Date: March 3, 2011

Subject: Resolution No. 2011--06

Agenda Item Ordinances and Resolutions

Recommendation: I recommend the approval of Resolution No. 2011-06 .

Background: A 6(a) petition has been submitted by Tim Volz for the City of Dodge City to make improvements in Wagon Wheel Addition. The improvements are streets, water and sewer not to exceed \$503,000. Mr. Volz will be building duplexes in the development and adding residential units to the housing stock in Dodge City. This area is also a part of a RHID. The proposed resolution authorizes the City to make the improvements in the benefit district and specially assess the costs of those improvements back to the property owner over a 15 year period. The City's current development policy allows special assessments as a financing tool for development projects.

There will be action items in the future relating to this project.

Justification: To assist the developer in residential development.

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

Purpose/Mission: To increase residential development in Dodge City.

Attachments: Resolution No. 2011-06

RESOLUTION NO. 2011-06

A RESOLUTION DETERMINING THE ADVISABILITY OF THE MAKING OF CERTAIN INTERNAL IMPROVEMENTS IN WAGON WHEEL ADDITION IN THE CITY OF DODGE CITY, KANSAS, AND SETTING FORTH THE GENERAL NATURE OF THE IMPROVEMENT, THE EXTENT OF THE IMPROVEMENT DISTRICT TO BE ASSESSED FOR THE COST THEREOF, THE METHOD OF ASSESSMENT, AND THE PROPOSED APPORTIONMENT OF THE COST BETWEEN THE IMPROVEMENT DISTRICT AND THE CITY AT LARGE; AND AUTHORIZING AND PROVIDING FOR THE MAKING OF THE IMPROVEMENT IN ACCORDANCE WITH THE FINDINGS OF THE GOVERNING BODY.

WHEREAS, a Petition was filed with the City Clerk of the City of Dodge City, Kansas, on the 1st day of March, 2011, proposing the following improvements: Construction of roads and curb and guttering, water improvements, sewer improvements and associated engineering and design costs serving Lots 1, 2, 3, 4, 5 and 6, Block 1, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12, Block 2, Wagon Wheel Addition, Unit One to the City of Dodge City, Ford County, Kansas, and said Petition sets forth: (a) the general nature of the proposed improvements; (b) the estimated or probable cost of the proposed improvements; (c) the extent of the proposed improvement district to be assessed for the cost of the proposed improvements; (d) the proposed method of assessment; (e) the proposed apportionment of the cost between the improvement district and the city at large; and (f) a request that such improvements be made without notice and hearing as required by K.S.A. 12-6a04(01); and

WHEREAS, the governing body of the City of Dodge City, Kansas hereby finds and determines that said Petition is sufficient.

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

SECTION 1. The governing body of the City of Dodge City, Kansas, hereby finds and finally determines that:

(a) It is advisable to make the following improvements: construction of roads and curb and guttering, water improvements, sewer improvements and associated engineering and design costs serving Lots 1, 2, 3, 4, 5 and 6, Block 1, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12, Block 2, Wagon Wheel Addition, Unit One to the City of Dodge City, Ford County, Kansas.

(b) The estimated or probable cost of such improvements is: \$503,000

(c) The extent of the improvement district in the City of Dodge City, Kansas, to be assessed for the cost of the improvements is: Lots 1, 2, 3, 4, 5 and 6, Block 1, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12, Block 2, Wagon Wheel Addition, Unit One to the City of Dodge City, Ford County, Kansas.

(d) The method of assessment is: per lot

(e) The apportionment of the cost of the improvements, between the improvement district and the city at large, is: 79% to be assessed against the improvement district and 21% to the city at large.

SECTION 2. The above said improvements are hereby authorized and ordered to be made in accordance with the findings of the governing body of the City of Dodge City, Kansas as set forth in Section 1 of this Resolution.

SECTION 3. This Resolution shall be published one time in the official city newspaper, and shall also be filed of record in the Office of the Register of Deeds of Ford County, Kansas.

ADOPTED AND APPROVED by the Governing Body of the City of Dodge City, Kansas, on March 8, 2011.

Mayor

ATTEST:

City Clerk

Memorandum

To: City Commissioners
From: Cherise Tieben/Ken Strobel
Date: March 4, 2011
Subject: Summerlon Phase III
Agenda Item: Resolution 2011-07

Recommendation: Staff recommends the acceptance of the CHAT report and approval of Resolution No. 2011-07 which permits staff to submit a proposed Rural Housing Incentive District to the Kansas Secretary of Commerce for approval.

Background: In April of 2008 the City and County received the CHAT report which provided our community with a housing needs and analysis. The report showed that our community housing needs were substantial and provided guidance to the areas which the cause of the shortage and efforts which can be made to correct the issue. The establishment of a Rural Housing Incentive District (RHID) is the first step towards providing an incentive that will entice developers to our community.

Justification: Numerous developers have reviewed their opportunities to pursue housing projects in our community. These projects, according to developers, will not cash flow and have not come to fruition due to infrastructure costs, high cost of building supplies, property taxes, low market/rent rates and other issues. Establishing a RHID will encourage the developers through incentives to pursue housing opportunities in our community. It is our hope that the resulting housing developments, will allow more families to join our community in order to fulfill the employment needs of our local businesses.

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

Purpose/Mission: This resolution assists staff by taking the first step to improving housing opportunities and therefore, improving the quality of life for our citizens.

Legal Considerations: None

Attachments: None

Resolution 2011-07

A RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS AS TO THE NEED FOR HOUSING WITHIN THE CITY OF DODGE CITY, KANSAS AND SETTING FORTH THE LEGAL DESCRIPTION OF REAL PROPERTY PROPOSED TO BE DESIGNATED AS A RURAL HOUSING INCENTIVE DISTRICT WITHIN THE CITY.

WHEREAS, K.S.A. 12-5241 et seq. (the “Act”) authorizes any city incorporated in accordance with the laws of the state of Kansas (the “State”) with a population of less than 40,000 located in a county with a population of less than 60,000, to designate rural housing incentive districts within such city; and

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

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

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

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

WHEREAS, the City of Dodge City, Kansas (the “City”) has an estimated population of 26,101, is located in Ford County, Kansas, which has an estimated population of 32,458 and therefore constitutes a city as said term is defined in the Act; and

WHEREAS, the Governing Body of the City has performed a Housing Needs Analysis dated April 23, 2008 (the “Needs Analysis”), a copy of which is on file in the office of the City Clerk; and

WHEREAS, based on the Needs Analysis, the Governing Body of the City proposes to commence proceedings necessary to create a Rural Housing Incentive District, in accordance with the provisions of the Act.

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

Section 1. The Governing Body hereby adopts and incorporates by this reference as part of this Resolution the Needs Analysis, a copy of which is on file in the

office of the City Clerk, and based on a review of said Needs Analysis makes the following findings and determinations.

Section 2. The Governing Body hereby finds and determines that there is a shortage of quality housing of various price ranges in the City despite the best efforts of public and private housing developers.

Section 3. The Governing Body hereby finds and determines that the shortage of quality housing can be expected to persist and that additional financial incentives are necessary in order to encourage the private sector to construct or renovate housing in the City.

Section 4. The Governing Body hereby finds and determines that the shortage of quality housing is a substantial deterrent to the future economic growth and development of the City.

Section 5. The Governing Body hereby finds and determines that the future economic wellbeing of the City depends on the Governing Body providing additional incentives for the construction or renovation of quality housing in the City.

Section 6. Based on the findings and determinations contained in *Sections 2* through *5* of this Resolution, the Governing Body proposes to establish a Rural Housing Incentive District pursuant to the Act, within boundaries of the real estate legally described in *Exhibit A-13* attached hereto, and shown on the maps depicting the existing parcels of land attached hereto as *Exhibit B-13* (the "District").

Section 7. The City Clerk is hereby directed to publish this Resolution one time in the official City newspaper, and to send a certified copy of this Resolution to the Secretary for the Secretary's review and approval.

Section 8. This Resolution shall take effect after its adoption and publication once in the official City newspaper.

Approved this 8th day of March 2011 and signed by the Mayor.

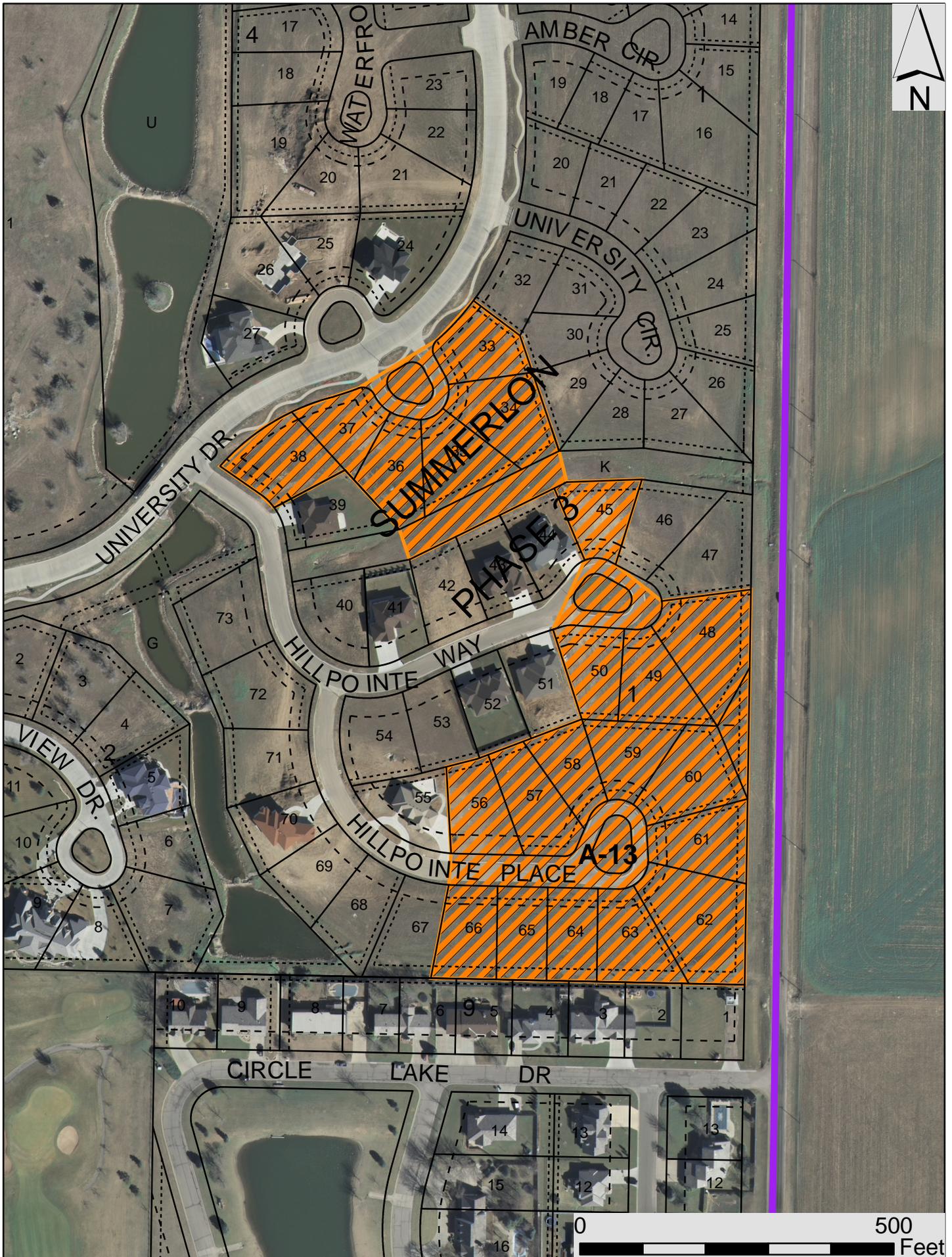
E. Kent Smoll, Mayor

ATTEST:

Nannette Pogue, City Clerk

Resolution 2011-07
Exhibit A

A-13 Lot 33, 34, 35, 36, 37, 38, 45, 48, 49, 50, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65 and 66, Block 1 Summerlon Phase III an Addition to the City of Dodge City, Ford County, Kansas, according to the Plat recorded in Plat Book "E" at page 59-61



Dodge City, Ford County and USD 443 Joint Energy Program

Energy Office
1000 Second Avenue ~ PO Box 460

Dodge City, KS 67801-0460
Telephone (620) 227-1621 ~ Fax (620) 227-1774

Energy Efficiency Is An Investment, Not An Expense

Dr. Morris Reeves
email: reeves.morris@usd443.org

March 1, 2011

To: Dodge City Board of Commissioners

From: Dodge City Energy Conservation Committee

Subject: Energy Conservation Guidelines

Background Information: On December 6, 2010, this Board of Commissioners adopted a resolution establishing energy conservation practices for Dodge City facilities. Item 5 of the resolution called for the development and adoption of policies and procedures which will be utilized as "Energy Conservation Guidelines".

Current Considerations: To accomplish the development of Energy Conservation Guidelines, the city's Joint Energy Manager working with city administrative staff solicited volunteers to serve on an Energy Conservation Committee which was charged with the task of developing the Energy Conservation Guidelines.

The committee was composed of the following city employees; Jane Longmeyer, Kevin Isreal, Corey Keller, Kurt Nietling and Barbara Slagle (replaced by Rita Stein). The committee, working with the Joint Energy Manager, developed draft guidelines which were coordinated with selected staff. After receiving and considering staff input the committee then sent a final draft to all city department heads for coordination. After receiving feedback from the department heads the committee has now made final adjustment to the guidelines and is recommending them for your approval and adoption.

Financial Consideration: There are no financial obligations created by adopting these guidelines. Financial savings should be realized from the adoption and subsequent compliance with these guidelines. Studies have shown that the energy savings from the practice of sound energy conservation measures will result in savings in utility costs of from 3 to 5 percent.

Committee Recommendation: The Dodge City Commission is respectfully requested to adopt the Energy Conservation Guidelines as submitted by the Dodge City Energy Conservation Committee.

Dodge City Energy Conservation Guidelines

The following standards and procedures are designed to achieve the goal of maximizing the efficient use of energy (gas, electricity, water) while at the same time, maintaining an environment that is conducive to optimum work performance.

The following guidelines are to be followed by all employees of the City; the success of the Energy Conservation Program depends upon the support and cooperation of all parties involved in the successful operation of the City.

Space Temperatures

Space temperatures in all City buildings will be maintained at a high of **68F to 72F** during the heating season and a low of **74F to 77F** during the cooling season. Facilities with scheduled events may deviate from the above temperatures +/- 2 degrees preceding and during the events. Department heads or building managers will adjust heating and cooling systems within each building if winter temperatures for any space falls below 68F and if summer space temperatures exceed 77F for any given space. This means that all spaces should consistently fall within the established range. Setback temperatures should be 10F higher for the cooling season and 10F lower for the heating season.

Where building HVAC controls allow, all hallways, open spaces and restrooms will be maintained at least 2 to 3 degrees lower than workrooms and office temperatures during the heating season and at least 2 to 3 degrees higher during cooling season.

During official breaks or holidays (and the weekend immediately following or preceding the break or holiday) building temperatures shall be allowed to drop to 55F during the heating season or rise to 85F during the cooling season. Special consideration will be given to environmentally critical areas (i.e. Computer Labs).

The heating or cooling systems will be turned on each morning early enough to allow the buildings to reach proper temperatures by the time staff report to work.

All electrical equipment and appliances (except those required to remain on for food safety) will be turned off or placed in "standby" mode whenever possible. Only network equipment may remain on at all times.

Any use of buildings by outside organizations or individual persons after the close of the regular business day is to be governed by City policy and regulations. Heating and cooling for events outside of normal operating hours will be scheduled by submitting a request to the building administrator at least five working days in advance of the event.

Determination of Room Temperature

Reasonable accuracy of room temperatures will be maintained in all spaces. Tampering with the thermostats will not be permitted. Temperatures may be manually measured as an option.

Room temperatures may be determined from temperature readings of a thermometer. Conditions for gathering temperatures are as follow:

- To measure within 24 inches of the thermostat.
- To take average readings 24 inches from center of each outside wall and at the center of the room.
- To take measurements at the center of the room if no outside walls exist.
- To take all measurements at thermostat height (4 feet).

Where a single thermostat controls more than one room, the temperature will be measured in the room with the thermostat. Adjustments will be made to the temperatures using the average temperature for the particular zone.

Doors Opening on and Evacuation Corridor

The Kansas Fire Code calls for all doors opening to fire rated corridors must be kept closed unless they are held upon by a magnetic device deactivated by the fire alarm system. Consequently all workroom and office doors must remain in the close position unless equipped with magnetic devices. The propping open of these doors will result in the loss of heat and cooling because of the differential temperature of hallways to classrooms.

Computers and Peripheral Equipment

Turn off your computer: Personal computers are designed so that frequent shut down will not significantly affect them. In fact, turning off a system saves energy and may prolong the life of your computer. Unless the computer needs to be on during non business hours, turn it off. Exception: For those computers connected to the City's IT network, on Thursday nights the systems does maintenance and the computers should be left on.

Turn off your monitor: Remember to ALWAYS turn off your monitor at night and when it is not being utilized. Even if you have power management enabled for your monitor, leaving a monitor on all night uses significant electricity. If you need to leave your computer running for the day, consider turning off your monitor when you are in meetings or away for lunch.

Screensavers should not be used: They keep the machine active and will not allow the internal power manager software to operate. Shutting off a screen is preferable.

Portable Electric or Fuel Heaters

Portable Electric heaters are high volume energy users and their use will be limited to those areas where employees have reported an uncomfortable work environment and reasonable modifications to the heating system cannot be accomplished.

Based on the high energy cost, employees are encouraged to consider dressing appropriately to achieve a satisfactory comfort level.

Building administrators are authorized to allow portable electric heaters within their facilities. The building administrator will then notify the Joint Energy Manager of the approved use of the portable electric heater. The Joint Energy Manager will then survey the building heating system to determine whether or not reasonable adjustments can be made.

Fuel heaters present a much greater fire hazard than electric heaters and their use in city facilities is not authorized.

Lighting in all spaces

Lights will be turned off in any unoccupied space. If sufficient daylight is available lights should not be used. Lighting levels will be maintained in accordance with the Illuminating Engineering Society (IES) Standards.

Domestic Hot Water

Generally hot water will be supplied to lavatories in public restrooms. Where hot water is supplied, laboratory sinks, custodial sinks, etc., will be heated no higher than 105F. Those facilities with separate water heaters for kitchen use will maintain a temperature of 140 degrees for kitchen use.

Auxiliary Fans

Ventilating or freestanding fans may be used at any time to increase comfort levels within a space. Fans are to be used while the space is being occupied.

Overhead Doors

Employees working in heated areas with overhead doors will minimize the time the overhead doors are open to conserve heat in the facility.

Traffic Lights

Replacement of green, red and pedestrian lights shall be done with LEDS. The exception would be lights that are directional usage such as 14th and Beeson or strobe lights that may not be done with LEDS. The use of incandescent lights shall be discouraged.

LED Signs

LED signs will be turned off from the hours of 12:30 a.m. to 5:00 a.m. except for those signs with sponsor contracts or joint use contracts which call for 24 hour per day operation.

Redirecting of Space

Redirecting of any space (i.e. walls and computer labs) requires that the Inspections Department be contacted in the initial planning stages to insure adequate and proper air flow.

Athletics-Outside Sporting Events

Lights for sporting events will be kept to a minimum as decided by the Parks and Recreation Director. Parking lot lights and streetlights instead of stadium lights will be used to maximize the safety of athletes and spectators.

Athletics-Irrigation of Fields

Irrigation standards generally state that one should not irrigate more than 1 inch of water per week.

Where practical, sites should have rain sensors on their sprinkler systems to adjust for natural rain fall.

With the completion of the new water reclamation facility, reclaimed water will be utilized to the fullest extent possible.

In the instance of a water emergency reference the city's water conservation ordinance # 2914.

Athletic-Concession Stands, Field House or Gym

The City must approve any appliances added to concession stands. During off-season, all appliances will be disconnected.

Auditoriums

Lights, heating, and air conditioning will only be used if activities are scheduled.

Outside Lighting

Outside areas will be lit to state standards.

Food Service Hood Systems

Hood systems will not be turned on unless actually cooking.

Food Service Equipment

Equipment will be operated in an efficient manner (i.e. preheating only for required amount of time prior to cooking) and turned off immediately after cooking is complete.

Food Service Equipment Purchases

New equipment purchased shall be energy efficient.

Modifications To Buildings

Finished colors should enhance light levels.

General

Employees in their respective Dodge City facilities who develop ideas for energy conservation that are not addressed above, may reduce those ideas to writing and deliver them to their superior, or to their building administrator, for consideration and implementation.

Memorandum

*To: Ken Strobel, City Manager
Cherise Tieben, Assistant City Manager*

From: Nannette Pogue

Date: October 26, 2010

Subject: Ordinance No. 3499

Agenda Item: Approval of CDBG Grant Agreement

Recommendation: I recommend the approval of the Grant Agreement between the State of Kansas Department of Commerce and the City of Dodge City for the CDBG Housing Grant

Background: The City of Dodge City applied for a Community Development Block Grant for Housing in the amount of \$392,000. We were notified on February 1, 2011, that we were awarded \$266,000 for this grant. The grant applied for was for housing rehabilitation in the target area of Avenue D and Avenue E from Wyatt Earp Blvd to Vine Street. The City had organized some activities in the target area to determine the interest and need for the project. After the determination was made, the application for the grant was submitted to the Department of Commerce. The attached agreement outlines the responsibilities of the City of Dodge City and of the State of Kansas to receive and carry out the grant.

Justification: To commence with housing rehabilitation projects in Dodge City using Community Development Block funds.

Financial Considerations: The City committed \$500 for an environmental assessment in the area. Besides the financial commitment, time will be spent by the Code Enforcement Officer, the Inspection Department and Finance Department to carry out the requirements of the grant.

Purpose/Mission: To enhance the livability of housing in the target area of Dodge City.

Legal Considerations: All legal requirements are met or will be met during the course of the grant.

Attachments: Grant agreement between the City of Dodge City and the State of Kansas.

STATE OF KANSAS

GRANT AGREEMENT NO. 11-HR-031

between the

STATE OF KANSAS
DEPARTMENT OF COMMERCE

and the

City of Dodge City

I. Grant Agreement

- A. This Grant Agreement, hereinafter called "Agreement," is between the State of Kansas, Department of Commerce, and its representative, hereinafter called "Department" and the **City of Dodge City**, Kansas, hereinafter called the "Grantee." This Agreement consists of the body and the following: SPECIAL CONDITIONS (attached hereto) and APPROVED PROJECT APPLICATION.
- B. Together they embody the entire Agreement between the Department and Grantee with respect to this grant program. All prior agreements, representations, statements, negotiations, and understandings with respect to this program are superseded hereby.

II. Authority

- A. This Agreement is financed in part through a grant provided to the Department by the United States Department of Housing and Urban Development (HUD) under Title I of the Federal Housing and Community Development Act of 1974, as amended (42 USC 5301 et. seq.), hereinafter called "the Federal Act." As provided in the Federal Act, the State of Kansas, through the Department, has elected to administer the federal program of Small Cities Community Development Block Grants.
- B. The Department, in accordance with the provisions of K.S.A. 74-5001 et. seq., hereinafter called "the State Act," has approved the application of the Grantee and awarded funds for the purpose of supporting the Grantee's Community Development Program.
- C. In the event of changes in any applicable Federal regulations and/or law, this Agreement shall be deemed to be amended when required to comply with any law so amended.

III. Description of Activities

Grantee agrees to perform, or cause to be performed, the work specified in the APPROVED PROJECT APPLICATION.

IV. Period of Performance

The period of performance for all activities assisted by this Agreement shall commence on **APRIL 1, 2011**, hereinafter called the "Commencement Date," and shall be complete on **MARCH 31, 2013**, hereinafter called the "Completion Date," except those activities required for close-out and final audit.

V. Compensation

- A. In consideration of the Grantee's satisfactory performance of the work required under this Agreement and the Grantee's compliance with the terms of this Agreement, the Department shall provide the Grantee the total sum of **\$266,000** in Community Development Block Grant funds. Such funds shall be used by the Grantee in accordance with the Activities listed and budgeted on the APPROVED PROJECT APPLICATION and the CONTRACT PROJECT BUDGET FORM.
- B. In addition, the Grantee shall provide **\$500** in other sources of funds to this Community Development Program and such funds shall be used by the Grantee in accordance with the Activities and budget on the APPROVED PROJECT APPLICATION.
- C. It is expressly understood and agreed that in no event will the total program funds provided by the Department exceed the sum of **\$266,000**. Any additional funds required to complete the program activities set forth in this Agreement will be the sole responsibility of the Grantee, and not the responsibility of the Department.

- D. The Grantee understands that this Agreement is funded in whole or in part by federal funds. In the unlikely event the federal funds supporting this Agreement become unavailable or are reduced, the Department may terminate or amend this Agreement and will not be obligated to pay the Grantee from State revenues.
- E. It is hereby agreed that funds committed to be provided by the Department are conditioned upon the availability and use of funds to be provided by the Grantee from other sources. In the event any portion of the funds required to be provided by the Grantee pursuant to subsection (B) of paragraph V. are not made available or used for activities as listed and budgeted, the Department may, in its discretion, withdraw or reduce proportionately the funds to be provided to the Grantee pursuant to subsection (A) of paragraph V.
- F. The Grantee shall not anticipate future funding from the Department beyond the duration of this Agreement and in no event shall this Agreement be construed as a commitment by the Department to expend funds beyond the termination of this Agreement.

VI. Indemnification

The Grantee shall indemnify, defend, and hold harmless the State and its officers and employees from any liabilities, claims, suits, judgments, and damages arising as a result of the performance of the obligations under this Agreement by the Grantee or any subgrantee, contractor, subcontractor, or person. The liability of the Grantee under this Agreement shall continue after the termination of the Agreement with respect to any liabilities, claims, suits, judgments, and damages resulting from acts occurring prior to termination of this Agreement.

VII. Obligations of Grantee

- A. All of the activities required by this Agreement shall be performed by personnel of the Grantee or by third parties (subgrantees, contractors, or subcontractors) under the direct supervision of the Grantee and in accordance with the terms of written contracts. Any such contracts may be made subject to approval by the Department.
- B. Except as may otherwise be provided in the SPECIAL CONDITIONS, the Grantee may subgrant, contract, or subcontract any of the work or services covered by this Agreement.
- C. The Grantee shall remain fully obligated and liable under the provisions of this Agreement, notwithstanding its designation of any third party or parties for the undertaking of all or any of the program being assisted under this grant.
- D. The Grantee shall require any third party to comply with all lawful requirements necessary to insure that the program is carried out in accordance with this Agreement.

VIII. Environmental Review Compliance

- A. The obligation and utilization of the funding assistance is subject to the requirements for a release of funds by the State under the Environmental Review procedures at 24 CFR Part 58 for any activities requiring such release.
- B. The Grantee agrees to assume all of the responsibilities for Environmental Review, decision making and action, as specified and required in Section 104(g) of Title I of the Housing and Community Development Act of 1974 (Public Law 93-383), as amended. The Grantee shall not allow any subrecipient to assume the grantee's Environmental Review responsibilities.

IX. Program Costs

- A. The Grantee may only incur such costs as are reasonable and necessary to the Grantee's Program and as are allowable under the Department's Procedures (OMB Circular A-87). Cost items not specifically authorized may only be incurred after written approval by the Department.
- B. Cash and in-kind contributions made by the Grantee shall follow the criteria established by the Department's Procedures.

- C. The total "Small Cities CDBG Funds" expended for "Administration" shown in the Contract Project Budget Form shall not exceed the approved amount unless amended by all parties to this contract.
- D. The Grantee shall not incur costs on any program activity until the Environmental Review required by 24 CFR 58 has been completed and the Department has issued the "Notice of Release of Funds."
- E. Any program activities performed by the Grantee in the period between notification of award and execution of this Agreement shall be performed at the sole risk of the Grantee. In the event this agreement should not become effective, the Department shall be under no obligation to pay the Grantee for any costs incurred or monies spent in connection with program activities, or to otherwise pay for any activities performed during such period. However, upon execution of this Agreement, all Program Costs incurred in connection with approved activities performed during this period shall be reimbursed in accordance with the terms and conditions of this Agreement.
- F. Grant funds may not, without advance written approval by the Department, be obligated after the Completion Date except for those activities required for close-out. Obligations incurred prior to and still outstanding as of the Completion Date shall be liquidated within ninety (90) days.
- G. At any time during the period of performance under this Agreement, and upon receipt of the progress and financial reports, Final Program Report or Final Audit Report, the Department may review all Program Costs incurred by the Grantee and all payments made to date. Upon such review the Department shall disallow any items of expense which are not determined to be allowable or are determined to be in excess of approved expenditures; and shall, by written notice specifying the disallowed expenditures, inform the Grantee of any such disallowance.
- H. If the Department disallows costs for which payment has not yet been made, it shall refuse to pay such costs. If payment has been made with respect to costs which are subsequently disallowed, the Department may deduct the amount of disallowed costs from any future payments under this Agreement or require that the Grantee refund the amount of the disallowed costs.

X. Requisition of Grant Funds

- A. The Grantee shall be entitled to receive requisitioned funds from the Department only in accordance with its actual and immediate cash requirements and only when the total of federal funds remaining on hand in the depository account does not exceed \$5,000 and is insufficient to meet immediate disbursement needs.
- B. Requisitions for cash advances shall be made on the established forms and shall not ordinarily be made more frequently than twice a month or in amounts less than \$3,000 and in no cases more than \$200,000.
- C. The Grantee shall establish procedures to insure that any amounts of cash in excess of the limits set forth in (A) above shall be expended within three (3) days of receipt of the funds in the depository account.
- D. Cash advances made by the Grantee to subgrantees shall conform substantially to the same standards of timing and amount as apply to the Grantee under this Agreement.
- E. Amounts withheld from contractor to assure satisfactory completion of work shall not be paid until the Grantee has received a final payment request from the contractor and has certified the work is complete and satisfactory.
- F. The Department may terminate advance financing and require the Grantee to finance its operations with its own working capital should it be determined that the Grantee is unwilling or unable to establish procedures to minimize the time lapsing between cash advances and disbursement. Payments to the Grantee would then be made only as reimbursement for actual cash disbursements.

XI. Depositories for Program Funds

- A. The Grantee shall maintain a separate record for money received under the Community Development Program. Into this fund shall be deposited:
 - 1. Moneys received from the Department.
 - 2. Program income earned through program activities.
- B. Any interest earned, prior to disbursement, on advances of grant funds shall be remitted to the State for subsequent return to the United States Treasury.

XII. Financial Management

- A. Grantees shall establish and maintain a system which assures effective control over and accountability for all funds, property and other assets used in the Community Development Program.
- B. Grantees shall either adopt the system recommended by the Department or certify to the Department, in writing, prior to making the first requisition of funds that the alternative system proposed for use shall meet the following standards:
 - 1. Maintenance of separate accounting records and source documentation for the Community Development Program;
 - 2. Provision for accurate, current and complete disclosure of the financial status of the Program;
 - 3. Establishment of records of budgets and expenditures for each approved activity;
 - 4. Demonstration of the sequence and status of receipts, obligations, disbursements and fund balance;
 - 5. Provision of financial status reports in the form specified by the Department;
 - 6. Compliance with the Department's audit requirements (OMB Circular A-133); and
 - 7. Consistency with generally accepted accounting principles as specified by the Kansas Department of Administration, unless a waiver of GAAP has been received by the Grantee from the Kansas Director of Accounts and Reports.

XIII. Monitoring and Reporting

- A. The Grantee shall monitor the activities of the Community Development Program, including those of contractors and subcontractors, to assure that all program requirements are being met.
- B. The Grantee shall submit progress and financial reports to the Department in accordance with the schedule set forth in the SPECIAL CONDITIONS. These reports shall be in a format prescribed by the Department.
- C. The Grantee shall submit a Final Program Report with the close-out no later than ninety (90) days following the Completion Date.
- D. From time to time, as requested in writing by the Department, the Grantee shall submit such data and other information as the Department may require.
- E. Failure to report as required or respond to requests for data or information in a timely manner may be grounds for suspension or termination of the Grant.

XIV. Procurement Procedures

- A. The Grantee shall use established procurement procedures which reflect applicable State and local laws and regulations and the Department's Procedures for the establishment of procurement systems.

- B. These standards do not relieve the Grantee of any contractual responsibilities under its contracts. The Grantee is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements entered into support of a grant. These include but are not limited to source evaluation, protests, disputes, and claims.

XV. Bonding Requirements

- A. When administering federal grants and subgrants, a Grantee may follow its own requirements and practices with respect to: (1) bonding of employees and contractors, and (2) insurance. Federal grantor agencies are not permitted to impose requirements beyond those listed below. The government-wide grants management common rule, "Uniform Administrative Requirements for Grants to State and Local Governments," contains bonding requirements only for circumstances when a grantee contracts for construction or facility improvement (including alteration and renovation) and the bids and contracts exceed \$25,000. The following types of bonds are required in the "Procurement" section of the common rule:
- A 100 percent "performance bond" on the part of the contractor to secure fulfillment of all the contractor's obligations under the contract; and
 - A 100 percent "payment bond" on the part of the contractor to assure payment, as required by law, of all persons supplying labor and materials as part of work provided under the contract.
- B. The Department reserves the right to promulgate and enforce bonding procedures and requirements applicable to any project.
- C. All bonds shall be procured from a surety company registered and licensed to do business in the State of Kansas and countersigned by its Kansas resident agent.

XVI. Program Income

- A. Program Income, as defined in the Final Statement, means gross income earned by the Grantee from activities supported by grants made by the Department under the provisions of the Federal Act, or as otherwise defined by the Department.
- B. All Program Income from a project funded by this Agreement may be retained by the Grantee (unless specified as a Special Condition to this agreement) and shall be added to funds committed to the support of the program established by this Agreement or for such eligible program activities as may be authorized by the Department. This income shall be disbursed to the maximum extent feasible prior to requisitioning additional funds under this agreement.

XVII. Program Close-out Procedures

- A. Program close-out is the process by which the Department determines that all applicable administrative and financial actions and all required work of the program including audit and resolution of audit findings have been completed or that there are no additional benefits likely to occur by continuation of program activities or costs. All findings from Department monitoring visits must be cleared prior to close-out.
- B. The Completion Date is the date specified in Section IV., Period of Performance, of this Agreement or amendment thereto, on which assistance ends for all program activities except those required to complete the close-out or the date on which the grant is suspended or terminated.
- C. The Grantee shall submit to the Department close-out documents covering the entire program within ninety (90) days of completion date. Additionally, one copy must be placed where other program documents are available for public review, and at least one copy must remain in the Grantee's files. The Department may grant extensions to the time for submission of these documents when so requested by the Grantee in writing.
- D. The Department retains the right to recover any appropriate amount of unobligated program funds.
- E. The Grantee shall account for any property acquired with grant funds, or received from the federal or state government in accordance with the Department's property management procedures.

XVIII. Termination for Convenience

- A. The Department or Grantee may terminate the grant in whole, or in part, when both parties agree that the continuation of the program would not produce beneficial results commensurate with the further expenditure of funds.
- B. The two parties shall agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated.
- C. The Grantee shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The Grantee shall be allowed full credit for noncancelable obligations, property incurred prior to termination.

XIX. Suspension or Termination-for-Cause

- A. The Department may suspend the grant, in whole or in part, at any time during the Grant Period, and upon reasonable notice to the Grantee withhold further payments or prohibit the Grantee from incurring additional obligations of grant funds when it is determined that the Grantee has failed to substantially comply with the conditions of this Agreement. This will be done pending corrective action by the Grantee or a decision by the Department to terminate the grant. The Department shall allow all necessary and proper costs which the Grantee could not reasonably avoid during the period of suspension.
- B. The Department, after reasonable notice following procedures pursuant to Final Statement may terminate the grant, in whole or in part, at any time during the Grant Period when it is determined that the Grantee has failed to substantially comply with the conditions of this Agreement. The Department shall promptly notify the Grantee in writing, of the determination and the reasons for the termination, together with the effective date and may initiate procedures to recapture all funds advanced to Grantee.
- C. Payments made to the Grantee or recoveries by the Department under grants which have been suspended or terminated for cause shall be in accord with the legal rights and liabilities of the parties.

XX. Audit Requirements

- A. The Grantee shall arrange for the performance of annual financial/compliance audits of the grant project. All audits must be performed by an independent qualified auditor. The audit period is identical with the Grantee's regular fiscal year. The audit(s) will be conducted in accordance with the requirements set forth in the audit section of the Kansas CDBG Handbook, which are based on the U.S. Single Audit Act of 1984 as amended in 1996 and Office of Management and Budget (OMB) Circular A-133.
 - 1. If the local government expends \$500,000 or more of Federal grant assistance from all programs, it must have an annual audit performed in accordance with OMB Circular A-133. An A-133 audit is a financial and compliance audit that covers the entire operations of the local government, rather than being limited to the CDBG project or other Federal grants.
 - 2. If the local government expends less than \$500,000 in a fiscal year, it will be the option of the Department of Commerce to determine if a project specific audit will be required. If such audit is required, it will be procured and paid for by the Department.
 - 3. Grantee's will be required to submit the "audit information form" to the Department of Commerce each fiscal year. This form must be submitted to the Department by or before March 20th of each fiscal year.
- B. Grantees are required to submit one copy of a fiscal year audit report covering the program. The audit reports shall be sent within 30 days after the completion of the audit, but no later than the nine months after the end of the audit period unless agreed to by the Department.
- C. If any expenditures are disallowed as a result of the Final Audit Report, the obligation for reimbursement to the Kansas Small Cities Community Development Block Grant Program shall rest with the Grantee.

XXI. Retention of and Access to Records

- A. Financial records, supporting documents, statistical records, and all other records pertinent to this program shall be retained in accordance with the Department's Procedures.
- B. Authorized representatives of the Department, the Secretary of HUD, the Inspector General of the United States, or the U.S. General Accounting Office shall have access to all books, accounts, records, reports, files, papers, things, or property belonging to, or in use by, the Grantee pertaining to the administration of these grants and the receipt of assistance under the Small Cities CDBG program as may be necessary to make audits, examinations, excerpts, and transcripts for a period of four years subsequent to a grant close-out.
- C. Any contract or agreement entered into by the Grantee shall contain language comparable to subsection (B) so as to assure access by authorized parties to the pertinent records of any subgrantee, contractor, or subcontractor.

XXII. Conflict of Interest

- A. In the procurement of supplies, equipment, construction and services by Grantees and subgrantees, the conflict of interest provisions of the Kansas Department of Commerce as provided at CFR 570.611 shall apply.
- B. No member of the Governing Body, officer or employee of the Grantee, or its designees or agents, or any other person who exercises any functions or responsibilities with respect to the program assisted by this Agreement during his tenure or for one year thereafter, shall have any direct interest in any contract or subcontract, or the proceeds thereof, for the work to be performed in connection with the program.
- C. The Grantee shall incorporate, or cause to be incorporated, in all third party agreements, a provision prohibiting such interest pursuant to the purpose of this Section.
- D. The Grantee shall not employ, nor shall permit any third party to employ any employee of the Department.

XXIII. Equal Opportunity

In addition to all equal opportunity provisions and the Assurances incorporated by reference herein, the Grantee agrees to comply with all of the requirements of the Kansas Acts Against Discrimination relating to fair employment practices, to the extent applicable and shall cause the foregoing provisions to be inserted in all contracts with third parties for any work covered by this Agreement so that such provisions will be binding upon such third parties.

Grantee will conduct and administer the grant in conformity with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq., as amended) and the Fair Housing Act (42 USC 3601-20) and will affirmatively further fair housing.

XXIV. Waiver of Enforcement

A waiver by the Department of the right to enforce any provision of this Agreement shall not be deemed a waiver of the right to enforce each and all of the provisions herein.

XXV. Reversion of Assets

- A. Consistent with the provisions at 24 CFR 570.703, the Grantee shall transfer any CDBG funds on hand at the time of expiration of the Agreement and any accounts receivable attributable to the use of CDBG funds to the Department.
- B. Any real property under the Grantee's control that was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 shall be used for its original intended purpose for five years after expiration of the agreement. Should the Grantee fail to utilize said property for its intended purpose, the Grantee shall pay the Department an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

XXVI. Budget Amendments and Other Changes

- A. During the implementation of the grant project, the Grantee may revise the CDBG activities amounts in the CONTRACT PROJECT BUDGET FORM; provided that:
 - 1. The cumulative effect of the revision is to not make line item budget transfers which exceed ten percent of the total grant or \$10,000 cumulative of CDBG monies, whichever is less.
 - 2. The change does not increase any professional services of the CDBG approved budget;
 - 3. The change will not significantly change the scope, location or objectives of the approved activities; and
 - 4. The change does not add or eliminate any activity.
- B. Any such changes to this Agreement shall constitute an amendment, including time extension of the completion date.
- C. The Grantee shall notify the Department if, through the use of other funds, there is an intention to expand, enhance or add to the scope of the program covered by the Agreement, or there is a proposal to undertake activities that will have an impact upon the buildings, areas or activities of this program. The Department reserves the right to require an amendment to this Agreement if such is deemed necessary.
- D. Amendments to the terms and conditions of this Agreement shall not become effective unless reduced to writing, applicable standard forms submitted in duplicate, passed by Resolution of the governing body, and signed by the duly authorized representative of the Grantee, and signed by the Rural Development Division Director of the Department.
- E. **I hereby certify that I have knowledge of all activities in the above-referenced grant. I also certify that I am aware that the regulations of the CDBG program prevent the use of any facility built or rehabilitated with CDBG funds, or any portion thereof, to be used for the conduct of official business. By accepting the above-referenced grant award, I certify that no portion of the above grant award violates this regulation.**
- F. We, the undersigned, have read and understood the above document and hereby agree to the terms and conditions contained herein.

Dated by the Department of Commerce this _____ day of _____, 20 _____.

STATE OF KANSAS
DEPARTMENT OF COMMERCE

By: _____
Rural Development Division Director
for the Kansas Department of Commerce

By: _____
Notary Public, State of Kansas

City of Dodge City Kansas
(Grantee)

By: _____
(Name) (Title)

(SEAL)

ATTEST: _____
(For the Grantee)

SPECIAL CONDITIONS

In addition to the general terms and conditions of this Agreement, the Grantee and the Department hereby agree to the following Special Conditions:

1. As provided in Section IX., Program Costs, F., the Notification of Award for the grant under this Agreement is dated **JANUARY 26, 2011**.
2. As provided in Section XIII., Monitoring and Reporting, B., the Grantee shall submit Quarterly Progress Reports to the Department. The reporting periods consist of January/February/March, April/May/June, July/August/September and October/November/December. Quarterly Progress Reports are to be submitted to the Department on or before ten (10) days after the end of each quarter. A Quarterly Progress Report shall be submitted for each quarter, or portion thereof, during the Period of Performance as provided in Section IV. Any extension of time approved by the Department will require additional Quarterly Progress and Financial Reports to be submitted in accordance with the above-referenced schedule.
3. As provided in Section IV., Period of Performance, all activities assisted by this Agreement shall be completed on **MARCH 31, 2013** except for those activities required to close out the program, such as the Final Program Report and the Final Audit Report.
4. As provided in Section XIII., Monitoring and Reporting, C., the Grantee shall submit a Final Program Report to the Department on or before **JUNE 30, 2013**.
5. The Grantee shall not use funds that have been granted by HUD under the Federal Act, or which may have been accrued as a consequence of activities supported with such grant funds (program income), in whole or in part for the support of the Activities covered by this Grant Agreement without first having secured the express written approval of HUD.
6. The Grantee shall be permitted to satisfy the program audit requirements of Section XX., Audit Requirements, by conducting a single municipal government-wide financial audit at the time of an annual audit provided for by Kansas law. Said audit will be completed on or before September 30 of each year the grant is open and one year after the grant is closed. Grantees receiving federal assistance in any fiscal year must have an audit made in accordance with the Single Audit Act of 1984 as amended in 1996 (OMB Circular A-133) for such fiscal year unless exempted under OMB Circular A-133. Those Grantees having expended \$500,000 or more of total federal funds from all sources must have an annual audit.
7. Will require each unit of local government to be distributed Title I funds to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations in accordance with Section 519 of Public Law 101-144, (the 1990 HUD Appropriations Act) and prohibiting the barring of entrance or exit to any facility or location which is the subject of such demonstration (Cranston-Gonzales National Affordable Housing Act).
8. In addition to the above certifications, the undersigned also makes the certification required which is attached regarding Lobbying.

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Date

Official

GRANTEE NAME: CITY OF DODGE CITY

GRANT NUMBER: 11-HR-031

***DUNS NUMBER:**

ACTIVITY	CDBG FUNDS	OTHER FUNDS	SOURCE OF OTHER FUNDS	TOTAL COST
1. Public Facilities/Construction				
a. Water Treatment Plant				\$ -
b. Sewer/Lines/Treatment				\$ -
c. Street Improvements				\$ -
d. Drainage/Flood				\$ -
e. Center/Facility				\$ -
f. Other (Identify)				\$ -
g. Acquisition, including easements				\$ -
h. Engineering Design				\$ -
i. Construction Inspection				\$ -
j. Architectural Services				\$ -
k. Other Professional Services				\$ -
Public Facility Activities Total		\$ -		\$ -
2. Housing Activities				
a. Housing Rehabilitation (10)	\$ 200,000			\$ 200,000
b. LSWP/Cleaning for Clearance	\$ 20,000			\$ 20,000
c. HQS Inspections	\$ 8,000			\$ 8,000
d. LBP Assessments	\$ 10,000			\$ 10,000
e. LBP Clearance Testing	\$ 3,000			\$ 3,000
f. Relocation	\$ 5,000			\$ 5,000
g. Demolition				\$ -
H Demolition Inspections				\$ -
Housing Activities Total	\$ 246,000			\$ 246,000
3. Administration				\$ -
a. Administrative Activities	\$ 20,000	\$ 500		\$ 20,500
b. Legal				\$ -
c. Audit				\$ -
Administration Total	\$ 20,000	\$ 500		\$ 20,500
ALL ACTIVITIES TOTAL	\$ 266,000	\$ 500		\$ 266,500

***TO RECEIVE A CITY/COUNTY DUNS # PLEASE CALL 1-866-705-5711**

Memorandum

To: City Commissioners
From: Ken Strobel, City Manager
Date: March 3, 2011
Subject: T-Works Statement of Intent
Agenda Item: New Business

Recommendation: Staff recommends approval of statement of intent to apply for T-works funding to provide 75% of the construction costs for the necessary road improvements to US-56/US-283 for the Dodge City Cheese Project.

Background: The Kansas Department of Transportation set aside economic development funds for communities to apply for major economic development projects. The program is a 75% state to 25% local match. KDOT initially provided funds on this project to do the Traffic Impact Study required for the application, which was in excess of \$20,000.

Justification: Dodge City Cheese is requesting a third entrance road off the highway dedicated to the approximately 66 milk tankers that will enter and exit the facility daily. The proposed changes add a very much needed safety aspect as well as provides for this new entrance.

Financial Considerations: A 25% match will be required locally. This match can come from Special Assessments to Dodge City Cheese for the expenses.

Purpose/Mission: Together we endeavor to provide a safe and secure workplace and community.

Legal Considerations: None

Attachments: Application attached. Traffic impact study is available for review in the City Manager's office.

1. Kansas Department of Transportation Economic Development Program Application Form
2. Dodge City Industrial Park Traffic Impact Study
3. Pete Van Sickle – Estimated Economic Impact of Dodge City Cheese
4. Dodge City Cheese Operating Company Projected Income Statements
5. Letters of Support

This application is a DRAFT and is subject to change. If you have any questions, please contact Pete Van Sickle at 785.296.3273 or peter.v@ksdot.org

1. General Applicant Information

- a. Name of governmental unit: **Dodge City Kansas**
- b. Name and title of primary contact person: **Joann Knight**
Should be an elected official or employee of the governmental unit
Address: **PO Box 818, Dodge City, KS 67801**
Phone Number: **620-227-9501 office or 620-338-5101 cell**
Email: **jknight@dodgecity.org**
- c. Governmental official name and title (*if applicable*): **Ken Strobel, City Manager**
Address: **PO Box 880, Dodge City, KS 67801**
Phone Number: **620-225-8100**
Email: **kstrobel@dodgecity.org**
- d. Public works official name and title (*if applicable*):
Address: **Ray Slattery, PO Box 880, Dodge City, KS 67801**
Phone Number: **620-225-8106**
Email: **ray@dodgecity.org**
- e. Is there a private sector business or other entity involved in the project? Yes No
Name of business or other: **Dodge City Cheese**
Name and title of contact: **Tim Gomez, COO**
Address: **2020 East Dale Street, Springfield, MO 65803**
Phone Number: **816-883-8191**
Email: **timgomez@earthlink.net**
- f. Is it a new business or an existing business? New Existing
A new business is one that is looking to relocate to Kansas. An existing business is one that is already located within the city or county. ED program funds are generally not eligible for businesses looking to relocate from one Kansas city to another.
- g. Is this an immediate opportunity? Yes No
An immediate opportunity is when a transportation solution is essential in order for a business to move to Kansas, relocate, or expand. Decisions about funding for Immediate Opportunities are made quickly and on a case-by-case basis.
- h. If "yes," please describe how critical the timing is: **Dodge City Cheese plans to open the operation in November of 2012. Detailed engineering for the plant was commissioned November 1, 2010. The time frame for the project, from the beginning of detailed engineering through completion and occupancy is approximately 24 months. Once open, Dodge City Cheese will produce in excess of 125,000,000 pounds of cheddar cheese annually. The plant will require approximately 3,300,000 pounds of milk per day (approximately 60 truckloads per day) which will be sourced**

from dairy farmers within Kansas. Since the cheese plant is a local off-take for the dairies, the Company expects the dairy farmers to realize significant savings in milk transportation costs. In addition, the Company will sell whey powder concentrate and permeate powder (by-products from cheese making). The plant will operate 24-hours per day/seven days per week. The Company expects to employ approximately 135 persons in various positions at the plant.

2. Project Location and Description – Attach additional sheets as necessary

- a. Project Location: **US-56/US-283 @ Dodge City Industrial Park**
- b. Project length (*in miles or feet*): **4,000 ft (0.76 miles)**
- c. Project scope (*description of work*): **Construct a continuous right-turn lane and paved shoulder on northbound US-56/US-283 between Chaffin Road and the proposed dairy truck access to the Cheese Factory (located mid-way between Chaffin Road and Allen Road). Shift the southbound US-56/US-283 through lane to the west, from north of Allen Road to south of Chaffin Road, by constructing a southbound new through travel lane and paved shoulder. The existing southbound through travel lane will then be converted to a series of southbound left-turn lanes at Allen Road, the proposed dairy truck Cheese Factory access and Chaffin Road. See attached Traffic Impact Study (Figure 25 – Alternative B).**
- d. Current average daily traffic volume (*if available*): **4640 vehicles per day (vdp)* *Source – KDOT 2011 Traffic Flow Map, Kansas State Highway System**

3. Estimated Cost of the Project – Please be specific about the nature of the costs

- a. Preliminary Engineering/Design Click to enter PE/Design costs.
- b. Right-of-Way Acquisition Click to enter ROW costs
- c. Utility Adjustments Click to enter Utility costs
- d. Construction **\$1,112,223.00**
- e. Construction Engineering/Inspection Click to enter CE/Inspection costs
- f. Other Click to enter other costs
- g. Total Estimated Cost (*sum of lines a-f*) **\$1,112,223.00**
- h. Local Match Available (*negotiable, but 25% minimum is desired*) **\$278,055.00**
- i. Total Requested Amount from KDOT (*subtract line h from line g*) **\$834,168.00**

4. Schedule and coordination information

- a. Estimated start date: **To be determined**
- b. Estimated completion date: **November 1, 2012**
- c. Describe any known KDOT or other projects that may need coordination: **The City of Dodge City is committed to upgrading the sewer system for this project. A electric substation will also need to be constructed on the site in addition to the Cheese Plant facilities.**
- d. Have any KDOT field staff been involved with the project? Yes No
If so, who? **Dale Luedke, Larry Thompson**
- e. Have any Department of Commerce staff been involved with the project? Yes No
If so, who? **Alicia Hutchings, Project Coordinator, Steve Kelly, Deputy Secretary, Bill Thornton, Past-Commerce Secretary, Pat George, Commerce Secretary**

5. Benefits of the project – Add or substitute additional sheets as necessary

- a. Describe the nature of the transportation problem at this location and the transportation benefits that would result from the project (*i.e. safety, truck traffic, capacity, operational, etc.*):

The specific improvements will streamline traffic, allow trucks to enter and exit quickly and safely align the transportation of inputs and finished goods with the general manufacturing process in the plant. The proposed traffic plan encompasses three aspects: i) a new dedicated road and entrance north of the plant for milk trucks to enter and exit; ii) add dedicated turning lanes to all three entrances in the park to improve safety and provide opportunities for expansion at the park; and, iii) improving the turning lane on Allan Road to provide for a dedicated turning lane for trucks coming out of the two south roads and for vehicles entering Bell and Carlson, FedEx and other potential new businesses locating to the north end of the industrial park.

- b. Describe the cost savings and benefits that would result from the project (*i.e. savings to businesses or customers, operating efficiencies to businesses, improved customer service, etc.*):

There are multiple savings expected to be generated by this project including operating efficiencies (which translates into reduced material handling costs), delivery efficiencies and reduced driver down-time and idle time, fuel savings from reduced waiting and maneuvering, and enhanced access to other facilities in the area improving customer service at surrounding businesses and similar operating efficiencies.

- c. Describe any indirect or other benefits (*improvements in livability, sustainability, etc.*) or issues that are related to the project (*environmental, organized opposition, etc.*):

There will be substantial indirect benefits to the communities primarily in Western Kansas, but also across the State due to the additional expansion of dairies and related businesses that will be needed to supply this plant. Many of the communities that have been successful in recruiting dairies have been communities that were experiencing substantial decline in populations. The Kansas dairy recruitment efforts have provided many communities with an industry that has helped turn their economic decline around. We anticipate that the additional milk supply needed by this plant will require substantial expansion and recruitment of additional dairies and secondary businesses to fulfill Dodge City Cheeses' needs.

- d. Describe the nature of the industry or industries that would benefit from the project (*i.e. types of industries served, commodities produced or carried, customers served, etc.*):

Existing industrial park tenants as well as future businesses locating to the park will greatly benefit from the safer and more coordinated traffic flow at the park. The location of this cheese plant in Western Kansas will be of tremendous benefit to the entire State of Kansas due to the enhancement of existing dairies and location of new dairies, feed suppliers, service organizations such as trucking companies, veterinarians and equipment manufacturers. This project brings much needed stability and potential for enhancement of a relatively new industry to the State of Kansas – the Dairy Industry.

- e. Estimate the number of permanent jobs created and/or sustained as a result of the project:

Can be as reported by the private business or projected by an economic model or other method. KDOT can assist with this estimate if necessary

135 directly at plant

- f. Explain the methodology or reasoning for the above jobs estimate:

The plant will operate 24 hours per day – 7 days per week. The estimate of 135 jobs from the company represents management, office, maintenance and production workers.

- g. Calculate the estimated cost of the project per job created and/or sustained (*divide 3g by 5e*):

\$8,239.00

- h. Provide average wage data for the jobs created and/or sustained:

Average wage must be greater than the average wage for the industry in the region, as reported by NAICS code. KDOT can assist with this information if necessary)

Average wage at plant with benefits is \$51,000.00 annually

- i. Is the project in an economically distressed area? Yes No

If so, please describe:

"Economically Distressed" is open to interpretation. One reference source is Kansas, Inc's annual county-level economic rankings. Providing evidence that a project serves a particularly underutilized part of town might be another way to approach it.

Dodge City Cheese plans to purchase an existing warehouse and distribution center located in the Dodge City Chaffin Industrial Park. This building has been vacant since December 2002 and is deteriorated significantly. The building owner and community have worked with several prospective tenants to fill the building to no avail. The building is situated in a very beneficial area for cheese processing due to the large (and expanding) dairies in Western Kansas. The dairy industry has grown significantly over the past decade in Western Kansas, but transportation cost to move milk out of the production area to processing or consumption areas are a huge detriment for area milk producers. Locating a processing facility of this capacity in Dodge City will have a combined effect of reducing transportation costs and offset the low milk market rates that dairies are currently experiencing. In summary, this project would not only greatly benefit the communities of Dodge City and the greater Ford County by providing jobs and direct investment, but also in the re-use of a severely deteriorating building in the industrial park. Dairies in Western Kansas will benefit greatly with a new, local market for their products and significant reduction in transportation cost at a time when they are struggling economically due to decreased milk prices. We also anticipate that this project will encourage existing dairies to expand as well as help recruit additional dairies to the State of Kansas.

- j. Estimate how the project might broaden the tax base by increasing tax revenue:

KDOT can assist with this estimate if necessary

This project will broaden the tax base at many levels. Additional property taxes will be recovered on the new construction at the facility. Income tax collections will increase due to the new jobs created directly at the plant as well as secondary jobs and expansion at the dairies. Sales tax will be generated by the new employees as well as industry service providers. Additional bed tax will be generated by business visitors to the plant as well as construction workers employed at the site during the construction of the plant. (See attached Economic Impact Summary).

6. Private Sector and Other Investments – Attach additional sheets as necessary

- a. Describe the associated investment of any private sector business that relates to the project.

This could include land purchased, building erected or expanded, equipment purchased, etc.

The total project is expected to require a \$120,000,000 investment through a combination of debt and equity. The project includes purchasing the existing 132,000 sq ft building and surrounding 25 acres of land at a cost of \$3.3 million, facility costs including new construction, repurposing and remodeling of approximately \$47 million, purchase and installation of mechanical systems and equipment for approximately \$55 million, and development costs and expenses, including reserves, of approximately \$15 million.

- b. Describe the financial status of the associated businesses.

Attach financial statements and most recent budget if possible.

Dodge City Cheese has engaged Bostonia Partners to assist DCC Management in arranging financing to construct the project. Bostonia Partners expects the financing to be completed, closed and funded by April 30, 2011. The projected Statements of Income, Cash Flow and Balance Sheets are attached as separate documents.

- c. Describe any additional investments being made in the project.

This could include utilities provided by the local government, tax incentives given, other related grants, etc.

The City of Dodge City has committed to expanding the sewer system including enlarging the pipes, providing a lift station and cost sharing pretreatment equipment. This expansion and investment by Dodge City is expected to cost between \$3 and \$5 million. The City is also offering Dodge City Cheese a ten-year declining property tax abatement on the commercial real

estate taxes for the project. This abatement will be 100% year one, 90% year two, 80% year three and continue to decline by 10% per year through year ten. The Kansas Department of Commerce has offered two incentive packages for the company to review. Option One is an incentive package utilizing the new Promoting Employment Across Kansas (PEAK) program combined with several other programs including Kansas Industrial Training, Community Development Block Grant, Sales Tax Savings, Personal Property Tax Exemption, Enterprise Zone Job Credits, Enterprise Zone Investment Credits, and/or High Performance Incentive Program Funds. The total value of Option One is calculated to be \$22,346,904. Option Two utilizes the Investment in Major Projects and Comprehensive Training (IMPACT) program rather than the PEAK program combined with the other programs listed above. The total incentive value for Option Two is calculated to be \$20,934,501. Dodge City Cheese is reviewing the options to determine which program will be more beneficial to their plan.

Attachment Checklist

- Financial statements
- Project map
- Any additional sheets (detailed cost estimates, explanation of local match, letters of support, additional benefits documentation, etc.)
- Signed Statement of Intent (following page)
- Submit Application by mail to:
 - Kansas Department of Transportation
 - Attn: Pete Van Sickle
 - Eisenhower State Office Building
 - 700 Harrison, 2nd Floor
 - Topeka KS 66603
- You may also email it to Pete Van Sickle at peterv@ksdot.org. To ensure receipt, if you do not receive an email response, please follow up with a call to Pete at 785.296.3273

Statement of Intent

The authorized person for the applicant must read, agree, and sign the statement below for this to be considered an official application

As the Applicant, or as an authorized representative of the Applicant, I hereby submit this Application to the Economic Development Program. I represent that the information and financial data contained herein and attached hereto are true and correct to the best of my knowledge. I understand that the following conditions apply to this application:

- Additional information may be requested;
- I authorize the Kansas Department of Transportation to independently verify any information contained in this application; and
- Acceptance and consideration of this application does not constitute a commitment for financial assistance by the State of Kansas.

I assure that this project will be constructed in accordance with the Rules and Regulations governing the Economic Development Program and all applicable Kansas law.

I assure that all work performed and all material furnished for the approve project shall be in reasonable conformity with the plans, specifications, and any authorized revisions thereto, which have been approved by the designer of the approved project.

If the project is approved, I will provide written assurance that:

1. The project will be designed by a licensed professional engineer.
2. All revisions and/or deviations from the plans and specifications will be approved by the project's designer
3. The project will be inspected by a certified inspector when the project is open to unrestricted traffic and at the time of final acceptance.

Signature

Printed Name

Title

Date

Estimated Economic Impact of Dodge City Cheese

Prepared By Pete Van Sickle

Executive Summary

This report provides the estimated economic activity associated with the construction and operations of Dodge City Cheese, to the City of Dodge City in Ford County, Kansas. The continued operation of Dodge City Cheese will have recurring economic infusions and is assumed to be of the reported magnitude so long as the indicated level of operation is maintained. In addition to annual operations, a one-time economic stimulus will result from any construction, renovation, and equipping of Dodge City Cheese (referred to as the capital investment).

A number of assumptions have been made to simplify this economic analysis. All direct job creation was assumed to be in the industrial sector of “Dry, condensed, and evaporated dairy product manufacturing”. The economic modeling system TREDIS, has been used to estimate any induced or indirect employment that will result from the new jobs from each of these companies. Also, only a percentage of the projected capital investment of Dodge City Cheese has been considered as investment directly into the Kansas economy. This is done because it is assumed some materials and/or equipment will be purchased out of state. Finally, it has been assumed that any economic activity is independent of the improvement in which KDOT may be participating.

The project applicant, Joann Knight of Dodge City, has indicated that Dodge City Cheese will employ 135 at an annual salary \$51K. Utilizing the economic modeling system, TREDIS, the study area of the State of Kansas was defined. The creation of 135 new jobs has been closely associated with the creation of 570 jobs (including the 135 direct jobs), \$28.4M in wages and \$46.77 M valued added statewide.

Operation Effects (annual)	Direct Effects	State of Kansas
Wages	\$6,885,000	\$28.421M
Business Output	193M	\$266.466M
Value Added	n/a	\$46.771M
Jobs	135	570
State and Local Tax	n/a	\$4,622,072
Construction Effects (one-time)		
Wages	Varies	\$2.474M
Business Output	n/a	\$6.977M
Value Added	n/a	\$3.306M
Jobs	n/a	57
State and Local Tax	n/a	\$499,520

Introduction

This report estimates the economic impacts that are anticipated to result from the addition of Dodge City Cheese to Ford County in Western Kansas. Economic Impacts will arise from ongoing annual operations, as well as from the one-time capital investments associated with the construction of any necessary facilities. Therefore, the primary facets of this report were to, first, identify applicable job creation and capital investment costs¹, and second, to estimate the impact of the new jobs and private investment on the Kansas economy and state revenues.

Methodology

Dodge City Cheese Economic Contribution

Applicants have provided projections of the direct economic contributions Dodge City Cheese as shown in Table 1. This facility will employ 135 people at \$51K per year. These data have been input into KDOT's economic model, TREDIS, to estimate the indirect economic effects. In addition, the wage data has been used to ensure the jobs were input into the proper industry sectors or used to adjust final results.

Table 1 – Employment Information as Supplied by Applicant

Total Jobs	135
Average Wage	\$51,000
Annual Payroll	\$6,885,000
Gross Revenue	\$193M

Construction Impacts

In addition to the annual operating effects of each of the companies, there will also be a one-time effect of a capital investment or improvement. The applicant has provided an estimate of associated capital investments as shown in Table 2. However, a portion of these costs will undoubtedly be spent out of state. It is assumed that of the total \$120M, \$7,350,000 will be directly spent on Kansas labor for construction and processing. The \$7,350,000 is used to estimate economic activity associated with the company's capital investment, from the Kansas Economy perspective. This is a very conservative approach, but consistent with an earlier economic impact study, submitted with the application².

Table 2 – Capital Investments as Supplied by Applicant

Land Costs	\$3.3M
Construction and Remodeling	\$47M
Mechanical Systems Cost	\$55M
Development Costs	\$15M
Total	\$120.3M

¹ These data are provided by the applicant for analysis by KDOT; these data may need to be adjusted based on assumptions

² "The Potential Economic Contribution of Dodge City Cheese to the Local, Regional and Kansas Economy" by John Leatherman

Direct Spending In Kansas	\$7.35M
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Results

Operations

For analysis purposes the following assumptions have been made for the economic analysis. Due to the fact that Kansas is predominantly an agricultural state, it was assumed that no additional crop production or animal production will result from the operations at Dodge City Cheese. This implies that animal production and crop production will remain consistent. This may seem conservative; however, one of the indicated reasons for the factory location is the surplus of dairy production in western Kansas that has been shipped out of state to other dairy/cheese processing facilities. A table of industry specific impacts, with totals, can be seen in Table 3, on the following page. Please note that Dodge City Cheese employment numbers are reflected under food products.

Table 3 – Table of Industry Specific Impacts of Dodge City Cheese Annual Operations

NAICS Range	Description	Business Output (\$ Mil)	Value Added (\$ Mil)	Jobs	Wage Income (\$ Mil)
111	Crop Production	1.063	0.491	5	0.064
112	Animal Production	0.038	0.020	0	0.003
113	Forestry & Logging	0.001	0.000	0	0.000
114	Fishing, Hunting & Trapping	0.004	0.001	0	0.000
115	Support for Agriculture & Forestry	0.327	0.264	9	0.350
211	Oil & Gas Extraction	0.207	0.116	0	0.042
212-213	Mining & Support Activities	0.028	0.017	0	0.009
221	Utilities	3.957	2.326	6	0.699
230	Construction	0.647	0.363	6	0.334
311	Food Products	207.191	13.493	150	8.323
312	Beverage & Tobacco Products	0.071	0.008	0	0.007
313	Textile Mills	0.002	0.000	0	0.000
314	Textile Product Mills	0.008	0.002	0	0.002
315	Apparel Manufacturing	0.021	0.008	0	0.005
316	Leather & Allied Products	0.000	0.000	0	0.000
321	Wood Products	0.029	0.010	0	0.007
322	Paper Manufacturing	0.602	0.131	2	0.121
323	Printing & Related Support Activities	0.227	0.100	2	0.073
324	Petroleum & Coal Products	0.979	0.158	0	0.096
325	Chemical Manufacturing	0.412	0.115	0	0.044
326	Plastics & Rubber Products	0.889	0.255	3	0.137
327	Nonmetallic Mineral Products	0.034	0.011	0	0.007
331	Primary Metal Manufacturing	0.010	0.002	0	0.001
332	Fabricated Metal Products	0.130	0.037	0	0.022
333	Machinery Manufacturing	0.115	0.023	0	0.013
334	Computer & Electronic Products	0.010	0.002	0	0.002
335	Electric Equipment, Appliances, etc.	0.047	0.014	0	0.008
336	Transportation Equipment	0.103	0.017	0	0.015
337	Furniture & Related Products	0.008	0.003	0	0.002
339	Miscellaneous Manufacturing	0.042	0.018	0	0.015
420	Wholesale Trade	14.319	9.287	80	5.401
441-454	Retail Trade	2.130	1.445	37	0.903
481-487	Transportation	6.683	3.467	48	2.475
491-493	Mail, package delivery & warehousing	0.943	0.681	11	0.538
511	Publishing Industries (except Internet)	0.363	0.135	2	0.092
512	Motion Picture & Sound Recording	0.042	0.009	0	0.006
513	Broadcasting	0.604	0.239	2	0.269
514	Internet & data process svcs	1.827	0.794	4	0.306
521-523	Monetary, Financial, & Credit Activity	2.780	1.756	16	0.849
524	Insurance Carriers & Related Activities	1.104	0.518	5	0.321
525	Funds, Trusts, & Other Financial Vehicles	0.111	0.006	0	0.009
531	Real Estate	2.338	1.845	21	0.392
532	Rental & Leasing Services	1.063	0.499	6	0.291
533	Lessors of Nonfinancial Intangible Assets	0.114	0.069	0	0.006
541-551	Professional Scientific, Technical, Services	5.635	3.261	38	2.531
561	Administrative & Support Services	1.754	1.135	32	0.925
562	Waste Management & Remediation	0.310	0.131	2	0.082
611	Educational Services	0.177	0.088	3	0.077
621-624	Health Care & Social Services	2.133	1.312	26	1.126
711-713	Amusement & Recreation	0.235	0.081	5	0.062
721-722	Accommodations, Eating & Drinking	1.126	0.541	22	0.359
811-812	Repair, Maintenance, & Personal Services	1.195	0.728	12	0.406
813	Religious, Civic, Professional, Organizations	0.338	0.114	7	0.186
920	Government & non NAICS	1.940	0.624	6	0.408
Total		266.466	46.771	570	28.421

The annual operation of Dodge City Cheese will result not only increased economic activity, but increased governmental revenue as well. The estimated impact on Federal and State and Local Taxes can be found below in Table 4. It is estimated that Dodge City Cheese operation will be closely associated an increase in State and Local revenues of \$4.6M annually.

Table 4 – Tax Impacts of Annual Operations

Tax/Fee Collector	Tax/Fee Description	Taxes/Fees Paid by:		Totals
		Households	Businesses	
Facility or Service Operator	Tolls & Fees	0	0	0
Federal Government	Motor Fuel Tax	0	0	0
	Income Profits	1,612,424	746,466	2,358,890
	Social Insurance Tax (FICA)	1,648,513	1,425,688	3,074,201
	Miscellaneous Fees & Taxes	0	499,607	499,607
	Total Federal Government	3,260,937	2,671,761	5,932,698
State and Local Government	Motor Fuel Tax			
	Motor Vehicle License Fees	27,053	31,484	58,537
	Income/Profits	533,537	288,105	821,642
	Sales tax	not available	not available	1,692,768
	Property Tax	12,741	1,448,072	1,460,813
	Social Insurance Tax	7,750	33,344	41,094
	Miscellaneous Fees & Taxes	142,498	404,721	547,219
	Total State and Local Government	723,579	2,205,726	4,622,072
Grand Totals for Federal, State and Local	3,984,516	4,877,487	10,554,770	

Construction

Estimated economic impacts that result from one-time construction impacts can be seen on the following page in Table 5. The construction labor spending of Dodge City Cheese is estimated to be closely tied with \$7M of business output, \$3.3M value added, about 60 jobs, and \$2.5M in wages. Again, these are one-time economic impacts and will no longer be supported after project completion.

Table 5 – Table of Industry Specific Impacts from the Construction of Dodge City Cheese

NAICS	Industry	Business Output (\$ Mil)	Value Added (\$ Mil)	Jobs	Wage Income (\$ Mil)
111	Crop Production	0.006	0.003	0	0.001
112	Animal Production	0.018	0.002	0	0.001
113	Forestry & Logging	0	0	0	0
114	Fishing, Hunting & Trapping	0.001	0	0	0
115	Support for Agriculture & Forestry	0.001	0.001	0	0.001
211	Oil & Gas Extraction	0.065	0.039	0	0.016
212-213	Mining & Support Activities	0.02	0.011	0	0.004
221	Utilities	0.06	0.039	0	0.011
230	Construction	3.693	1.588	31	1.385
311	Food Products	0.087	0.014	0	0.009
312	Beverage & Tobacco Products	0.002	0	0	0
313	Textile Mills	0	0	0	0
314	Textile Product Mills	0	0	0	0
315	Apparel Manufacturing	0	0	0	0
316	Leather & Allied Products	0	0	0	0
321	Wood Products	0.005	0.002	0	0.001
322	Paper Manufacturing	0	0	0	0
323	Printing & Related Support Activities	0.008	0.005	0	0.004
324	Petroleum & Coal Products	0.212	0.033	0	0.016
325	Chemical Manufacturing	0.1	0.023	0	0.009
326	Plastics & Rubber Products	0.072	0.023	0	0.014
327	Nonmetallic Mineral Products	0.002	0.001	0	0
331	Primary Metal Manufacturing	0.001	0	0	0
332	Fabricated Metal Products	0.006	0.002	0	0.001
333	Machinery Manufacturing	0.065	0.015	0	0.01
334	Computer & Electronic Products	0.027	0.005	0	0.005
335	Electric Equipment, Appliances, etc.	0.017	0.006	0	0.004
336	Transportation Equipment	0.075	0.015	0	0.013
337	Furniture & Related Products	0.054	0.025	0	0.017
339	Miscellaneous Manufacturing	0.008	0.003	0	0.003
420	Wholesale Trade	0.21	0.141	1	0.079
441-454	Retail Trade	0.438	0.282	8	0.178
481-487	Transportation	0.122	0.06	1	0.042
491-493	Mail, package delivery & warehousing	0.023	0.016	0	0.014
511	Publishing Industries (except Internet)	0.016	0.007	0	0.004
512	Motion Picture & Sound Recording	0.003	0.001	0	0
513	Broadcasting	0.084	0.042	0	0.018
514	Internet & data process svcs	0.005	0.002	0	0.002
521-523	Monetary, Financial, & Credit Activity	0.147	0.088	1	0.043
524	Insurance Carriers & Related Activities	0.065	0.035	0	0.02
525	Funds, Trusts, & Other Financial Vehicles	0.009	0.001	0	0.001
531	Real Estate	0.109	0.076	1	0.018
532	Rental & Leasing Services	0.025	0.011	0	0.007
533	Lessors of Nonfinancial Intangible Assets	0.005	0.002	0	0
541-551	Professional Scientific, Technical, Services	0.287	0.152	2	0.133
561	Administrative & Support Services	0.076	0.045	1	0.034
562	Waste Management & Remediation	0.007	0.003	0	0.002
611	Educational Services	0.023	0.012	0	0.01
621-624	Health Care & Social Services	0.256	0.149	3	0.13
711-713	Amusement & Recreation	0.018	0.008	1	0.006
721-722	Accommodations, Eating & Drinking	0.106	0.05	2	0.034
811-812	Repair, Maintenance, & Personal Services	0.065	0.031	1	0.021
813	Religious, Civic, Professional, Organizations	0.03	0.015	1	0.018
920	Government & non NAICS	0.243	0.222	3	0.135
Total		6.977	3.306	57	2.474

The estimated tax effect of construction labor spending is shown in Table 6. For this estimation, the same assumption of \$7,350,000 spend on Kansas labor is used. With the construction of Dodge City Cheese, it is estimated that state and local government will receive just less than \$500,000 in new revenue.

Table 6 – Tax Impacts of Construction Labor Spending

Tax/Fee Collector	Tax/Fee Description	Taxes/Fees Paid by:		Totals
		Households	Businesses	
Facility or Service Operator	Tolls & Fees	0	0	0
	Motor Fuel Tax	0	0	0
Federal Government	Income Profits	341,358	123,623	464,981
	Social Insurance Tax (FICA)	275,052	239,245	514,297
	Miscellaneous Fees & Taxes	0	45,608	45,608
	Total Federal Government	616,410	408,476	1,024,886
	Motor Fuel Tax	0	0	0
	Motor Vehicle License Fees	5,572	2,881	8,453
	Income/Profits	101,110	26,650	127,761
State and Local Government	Sales tax	not available	not available	157,779
	Property Tax	2,512	125,183	127,695
	Social Insurance Tax	1,658	6,633	8,291
	Miscellaneous Fees & Taxes	40,456	29,085	69,541
	Total State and Local Government	151,308	190,433	499,520
	Grand Totals for Federal, State and Local	767,718	598,909	1,524,406

March 2, 2011

Kansas Department of Transportation
Eisenhower State Office Building
700 Harrison, 2nd Floor
Topeka KS 66603

ATTENTION: Pete Van Sickle

RE: City of Dodge City's Application for T-works

Dear Mr. Van Sickle:

High Plains/Midwest Ag Journal enthusiastically supports the City of Dodge City's application for T-works funding for highway improvements in the Dodge City industrial park area that will facilitate the Dodge City Cheese plant's operation.

Not only does the Dodge City Cheese plant offer significant employment opportunities in the plant's operation itself, but it also offers additional employment in support industries related to its operation.

Ford County and Southwest Kansas is dependent on a strong agricultural base and a cheese plant fits our ag sector perfectly.

Again, we heartily support the City of Dodge City's application and believe that this industry will be a major support to the State of Kansas tax base.

Sincerely,



CEO/President/Publisher



WESTERN BEVERAGE, INC.

301 E. Wyatt Earp Blvd. • Dodge City, KS 67801 • tel: (620) 227-7641 • 1-800-658-1770 • fax: (620) 227-8416

March 2, 2011

Kansas Department of Transportation
Attn: Pete Van Sickle
Eisenhower State Office Building
700 Harrison, 2nd Floor
Topeka, KS 66603

Dear Mr. Van Sickle,

Recently, the City of Dodge City submitted an application for "T-Works", (funding for highway improvements). I would like to add my support for this project.

With the funding, improvements will impact not only the Dodge City Cheese plant, and the Dodge City Industrial Park, but other businesses in the area as well. Bringing in significant jobs to the area, will bring significant people. These people will help grow the community, and future businesses. This will bring added revenue to the city of Dodge City and Southwest Kansas.

I would like to encourage your support for this project.

Sincerely,

WESTERN BEVERAGE, INC.



Joe Bogner



Thursday, March 3, 2011

Kansas Department of Transportation
Attn: Pete Van Sickle
Eisenhower State Office Building
700 Harrison, 2nd Floor
Topeka, KS 66603

Dear Mr. Van Sickle:

On behalf of the Board of Directors of the Dodge City Area Chamber of Commerce, we submit this letter of support for the City of Dodge City's application for T-Works funding for highway improvements to support Dodge City Cheese at the Dodge City Industrial Park.

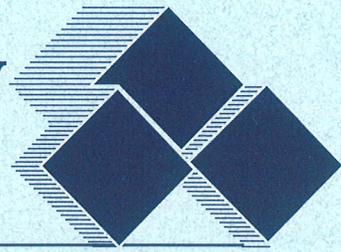
Dodge City and Ford County continue to prosper and grow, being cited as the 'least economically stressed county in the nation' last year. The addition of the Dodge City Cheese plant will continue that momentum by creating a significant amount of good paying jobs to our area. Additionally, the location of the plant will encourage the dairy industry to expand in southwest Kansas.

It's imperative that departments of the state work together to create jobs and economic development opportunities to continue making Kansas a great state. Our Chamber strongly supports the application to t-Works funding for highway improvements submitted by the City of Dodge City.

Sincerely,

Cindy Malek
President

Dodge City Ford County



DEVELOPMENT CORPORATION

311 W. Spruce • P.O. Box 818 • Dodge City, KS 67801-0818 • (620) 227-9501 • FAX (620) 338-8734 • 1-800-381-3690
www.dodgedev.org • email: jknight@dodgedev.org

March 3, 2011

Pete Van Sickle
Kansas Department of Transportation
Eisenhower State Office Building
700 Harrison, 2nd Floor
Topeka, KS 66603

Dear Mr. Van Sickle,

The Dodge City /Ford County Development Corporation is in full support of the City of Dodge City's application for T-Works funding for highway improvements to support Dodge City Cheese's decision to locate in Dodge City, KS. We recognize the importance in locating a cheese processing facility in western Kansas as it would have a great impact towards enhancing the growth of the dairy industry throughout the region.

Our community and region have been working cooperatively for over 15 years to build the dairy industry and opportunities for this processing facility. This type of industry has a significant economic impact to the entire state of Kansas. I would greatly appreciate your support towards this project.

Sincerely,

Joann Knight
Executive Director



R E L I V E T H E S T O R Y

March 3, 2011

Pete Van Sickle
Kansas Department of Transportation
Eisenhower State Office Building
700 Harrison, 2nd Floor
Topeka, KS 66603

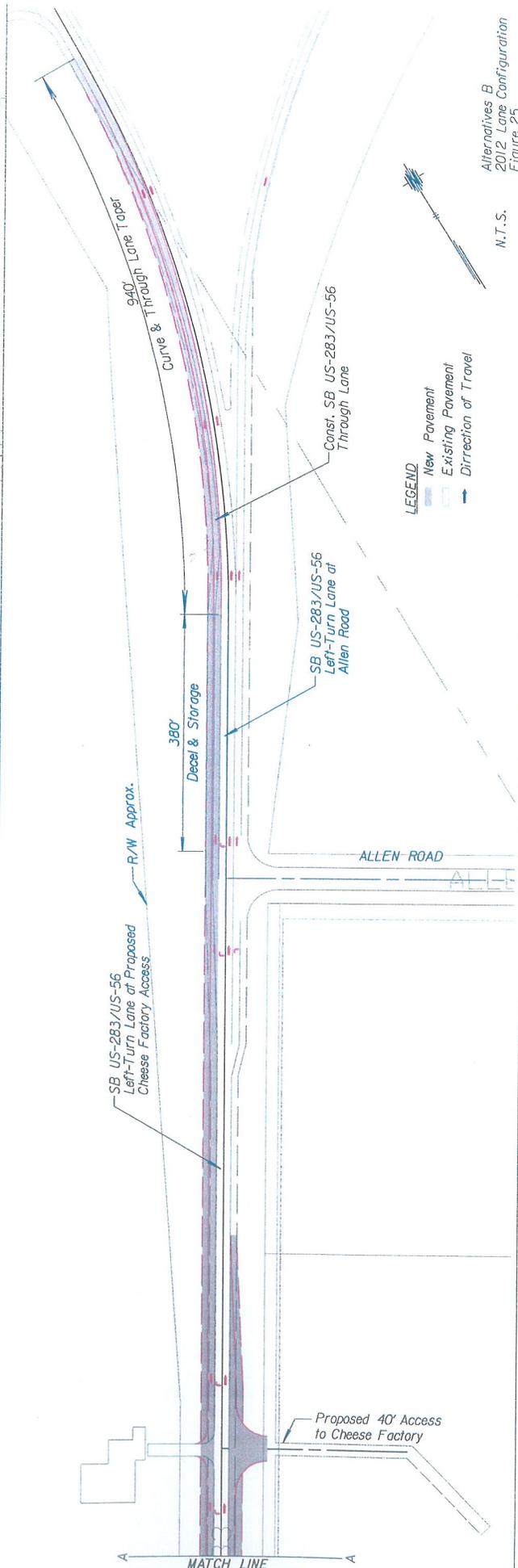
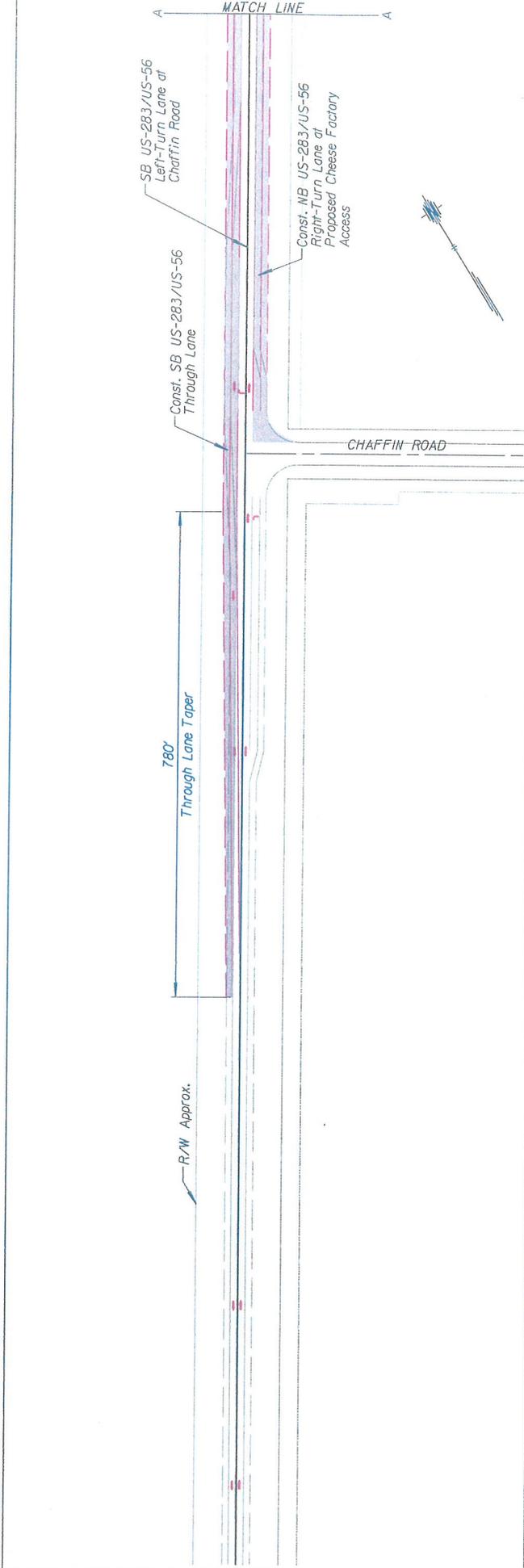
Dear Mr. Van Sickle,

Main Street Dodge City is in full support of the City of Dodge City's application for T-Works funding for highway improvements to support Dodge City Cheese's decision to locate in Dodge City, KS. We recognize the importance in locating a cheese processing facility in western Kansas as it would have a great impact towards enhancing the growth of the dairy industry throughout the region.

Our community and region have been working cooperatively for over 15 years to build the dairy industry and opportunities for this processing facility. This type of industry has a significant economic impact to the entire state of Kansas. I would greatly appreciate your support towards this project.

Sincerely,

Chelsey Fisher
Main Street Director



LEGEND
 New Pavement
 Existing Pavement
 Direction of Travel

N.T.S.
 Alternatives B
 2012 Lane Configuration
 Figure 25

US-56 / US-283 @ Dodge City Industrial Park
 Preliminary Construction Cost Estimate
Alternative B: 2012 SB Left Turns and NB Right Turn at New Entrance
 2011 Dollars

Pavement Removal	5490 SY	\$	10.00	\$	54,900.00
Earthwork	5830 CY	\$	15.00	\$	87,450.00
Mainline Paving	5320.111 SY	\$	70.00	\$	372,407.78
Shoulder Paving	5277 SY	\$	65.00	\$	343,005.00
Entrance Paving	570 SY	\$	70.00	\$	39,900.00
Remove & Relocate Streetlights	7 Ea	\$	2,000.00	\$	14,000.00
	Sub-Total			\$	911,662.78
Signing & Marking	2% LS			1 \$	18,230.00
Miscellaneous	20% LS			1 \$	182,330.00
	TOTAL				\$1,112,222.78

Memorandum

To: Ken Strobel
City Manager

From: Raymond A. Slattery, P.E. 
City Engineer

Date: February 25, 2011

Subject: Easement acquisition for pipeline for Wastewater Reclamation Facility
Agenda Item: New Business

Recommendation: Approve payment to acquire easements

Background: The City has been working for several months to acquire the necessary permanent and temporary easements for the new transmission and force main lines for the new reclamation plant. The Commission previously set just compensation amounts for the all of the necessary parcels. We have negotiated with the various property owners and are now bringing to the commission several of the final offers.

Justification: The Commission needs to approve the final offers so that the easements can be purchased.

Financial Considerations: The appraisals have recommended the following offers:

Robert & Cheryl Majeski	\$500
Closing Costs	\$300
Filing Costs	<u>\$ 16</u>
	Total \$816
Turner & Michael Prewit	\$666
Closing Costs	\$300
Filing Costs	<u>\$ 16</u>
	Total \$982
Jeff & Ildiko Saldago	\$750
Closing Costs	\$300
Filing Costs	\$ 16
	Total \$1,066
	Grand Total \$2,864

Purpose/Mission: The purchase of these easements will insure the completion of the project, which is necessary for the continued growth of Dodge City.

Legal Considerations: None

Attachments: Agreement for sale and buyer's closing statement that will need to be signed by the City Clerk.

BUYER'S CLOSING STATEMENT

GF#: 11-9378

Prepared for:
CITY OF DODGE CITY, KANSAS

806 N. 2ND AVENUE
DODGE CITY, KS 67801

Prepared by:
High Plains Land & Title
P.O. Box 878
107 Gunsmoke
Dodge City, Ks. 67801

Property:
PART OF LOT 11, BLOCK 3,
CANDLETREE ADDITION NO. 3

Seller : ROBERT L. MAJESKI, JR.
 CHERYL MAJESKI

Closing date (MO/DY/YR) : 03/18/11

Closer : BRENDA K. LEE

	<u>DEBITS</u>	<u>CREDITS</u>
Contract Sales Price	500.00	
Settlement or Closing HIGH PLAINS LAND & TITLE	300.00	
Filing Easements	16.00	
Funds payable at closing		816.00
	<u>\$816.00</u>	<u>\$816.00</u>

Approved:

CITY OF DODGE CITY, KANSAS

Closing officer or Broker

SELLER'S CLOSING STATEMENT

GF#: 11-9378

Prepared for:
ROBERT L. MAJESKI, JR.
CHERYL MAJESKI

Prepared by:
High Plains Land & Title
P.O. Box 878
107 Gunsmoke
Dodge City, Ks. 67801

Property:
PART OF LOT 11, BLOCK 3,
CANDLETREE ADDITION NO. 3

Buyer : CITY OF DODGE CITY, KANSAS

Closing date (MO/DY/YR) : 03/18/11

Closer : BRENDA K. LEE

	<u>DEBITS</u>	<u>CREDITS</u>
Contract Sales Price		500.00
Funds to seller	500.00	
	<u>\$500.00</u>	<u>\$500.00</u>

Approved:

ROBERT L. MAJESKI, JR.

Closing officer or Broker

CHERYL MAJESKI

BUYER'S CLOSING STATEMENT

GF#: 11-9379

Prepared for:
CITY OF DODGE CITY, KANSAS

806 N. 2ND AVENUE
DODGE CITY, KS 67801

Prepared by:
High Plains Land & Title
P.O. Box 878
107 Gunsmoke
Dodge City, Ks. 67801

Property:
PART OF THE W/2 OF THE SE/4
OF 10-26S-25W, FORD COUNTY, KS

Seller : TURNER PREWITT
MICHAEL PREWITT

Closing date (MO/DY/YR) : 03/18/11

Closer : BRENDA K. LEE

	<u>DEBITS</u>	<u>CREDITS</u>
Contract Sales Price	666.00	
Settlement or Closing HIGH PLAINS LAND & TITLE	300.00	
Recording Easement	16.00	
Funds payable at closing		982.00
	<u>\$982.00</u>	<u>\$982.00</u>

Approved:

CITY OF DODGE CITY, KANSAS

Closing officer or Broker

SELLER'S CLOSING STATEMENT

GF#: 11-9379

Prepared for:
TURNER PREWITT
MICHAEL PREWITT

Prepared by:
High Plains Land & Title
P.O. Box 878
107 Gunsmoke
Dodge City, Ks. 67801

Property:
PART OF THE W/2 OF THE SE/4
OF 10-26S-25W, FORD COUNTY, KS

Buyer : CITY OF DODGE CITY, KANSAS

Closing date (MO/DY/YR) : 03/18/11

Closer : BRENDA K. LEE

	<u>DEBITS</u>	<u>CREDITS</u>
Contract Sales Price		666.00
Funds to seller	666.00	
	<u>\$666.00</u>	<u>\$666.00</u>

Approved:

TURNER PREWITT

Closing officer or Broker

MICHAEL PREWITT

BUYER'S CLOSING STATEMENT

GF#: 11-9380

Prepared for:
CITY OF DODGE CITY, KANSAS

806 N. 2ND AVENUE
DODGE CITY, KS 67801

Prepared by:
High Plains Land & Title
P.O. Box 878
107 Gunsmoke
Dodge City, Ks. 67801

Property:
PART OF LOT 14, BLOCK 15,
SCOTTSDALE SUBDIVISION

Seller : JEFF SALGADO
ILDIKO SALGADO

Closing date (MO/DY/YR) : 03/18/11

Closer : BRENDA K. LEE

	<u>DEBITS</u>	<u>CREDITS</u>
Contract Sales Price	750.00	
Settlement or Closing HIGH PLAINS LAND & TITLE	300.00	
Recording Easement	16.00	
Funds payable at closing		1,066.00
	<u>\$1,066.00</u>	<u>\$1,066.00</u>

Approved:

CITY OF DODGE CITY, KANSAS

Closing officer or Broker

SELLER'S CLOSING STATEMENT

GF#: 11-9380

Prepared for:
JEFF SALGADO
ILDIKO SALGADO

Prepared by:
High Plains Land & Title
P.O. Box 878
107 Gunsmoke
Dodge City, Ks. 67801

Property:
PART OF LOT 14, BLOCK 15,
SCOTTSDALE SUBDIVISION

Buyer : CITY OF DODGE CITY, KANSAS

Closing date (MO/DY/YR) : 03/18/11

Closer : BRENDA K. LEE

	<u>DEBITS</u>	<u>CREDITS</u>
Contract Sales Price		750.00
Funds to seller	750.00	
	<u>\$750.00</u>	<u>\$750.00</u>

Approved:

JEFF SALGADO

Closing officer or Broker

ILDIKO SALGADO

Memorandum

*To: City Manager
Assistant City Manager
City Commissioners*

*From: Ray Slattery, P.E. 
City Engineer*

Date: March 1, 2011

*Subject: Improvements for Wagon
Wheel Sub-Division*

Agenda Item: New Business

Recommendation: Approve proposal from APAC Kansas Inc., Shears Division for the construction of the Infrastructure Improvements for the Wagon Wheel Sub-Division in the amount of \$406,663.65.

Background: The City has been working with the Developer of the Wagon Wheel Sub-division to develop the infrastructure of water, sewer, and street to service this development. This project will also be part of the RHID Program.

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

Financial Considerations: The construction of the Wagon Wheel Sub-division will cost \$406,663.65. Funding of this project will be through Special Assesments and the RHID Program.

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

Legal Considerations: By approving the bid with APAC Kansas Inc., Shears Division the City will enter into a contract with APAC Kansas Inc., Shears Division and be responsible to make payments to APAC Kansas Inc., Shears Division for the completed work.

Attachments: None

Memorandum

*To: City Manager
City Commissioners*

From: Cherise Tieben

Date: 03-02-2011

Subject: USAC Agreement

Agenda Item: New Business

Recommendation: Staff recommends the approval of the agreement with the United States Auto Club (USAC) to operate Dodge City Raceway Park for a term of five years

Background: An advisory board was established to review and interview qualified promoters for the facility. The recommendation was to pursue USAC with the following stipulations: City provides maintenance for the facility and grounds. Track will be maintained by USAC. City compensates USAC on a negotiated per race basis, not to exceed \$150,000 for 5 major races and \$50,000 for 7 local races.

Justification: DCRP has been in operation for 10 years. We were not making headway reducing the subsidy. It was accepted that the track was designed to host major events which create an economic impact for the community. Even though a local racing show provides an economic impact, it was not attaining the fan participation that correlates to that impact that we desired. By blending the major shows and still hosting local races, we hope to find a balance in cost effectiveness.

Financial Considerations: \$200,000 maximum commitment to USAC and staff maintenance costs.

Purpose/Mission: We strive to achieve high performance and service standards set by us and expected by the community.

Legal Considerations: Agreement attached.

Attachments: Agreement

RACETRACK OPERATING AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Dodge City, Kansas acting under the authority as provided for in the Interlocal Agreement dated July 21, 1997 (the "Interlocal Agreement") and hereinafter referred to as the "City" and United States Auto Club, an Indiana corporation hereinafter referred to as "Operator";

WHEREAS, pursuant to the Interlocal Agreement of July 21, 1997, between the City of Dodge City, Kansas and Ford County, Kansas, and utilizing sales tax revenues as provided for in said Interlocal Agreement, the City issued bonds for and did construct a motorsports complex located in Ford County, Kansas, consisting of a three/eighths mile racetrack, grandstand and other racing amenities known as Dodge City Raceway Park (Facility), and has with sales tax revenues as authorized by the Interlocal Agreement operated the complex over the past several years as a recreational facility, and

WHEREAS, the parties to the Interlocal Agreement desire to contract for the promotion and operation of the Facility on behalf of the City, utilizing sales tax revenues as provided for in the Interlocal Agreement to fund such promotion and operations, and

WHEREAS, the Operator has experience and expertise in the promotion and operation of dirt track racing facilities and desires to promote and operate the Facility on behalf of the City, and

WHEREAS, the parties have reached an agreement whereby the Operator would promote and operate the Facility under the terms and conditions set forth herein:

NOW, THEREFORE, IN CONSIDERATION OF THE MONIES TO BE PAID HEREUNDER, AND THE MUTUAL PROMISES OF THE PARTIES, IT IS AGREED AS FOLLOWS:

1. EXCLUSIVE USE OF FACILITY: The City hereby grants to the Operator, during the term of this agreement and any extension hereof and subject to the conditions set forth herein, the exclusive right and responsibility for the operation, promotion, scheduling and use of the Facility for motor sports racing events and other related events.

2. TERM: The initial term of this agreement shall be for a period of five (5) years, commencing January 1, 2011 and expiring December 31, 2015, which agreement may be extended or earlier terminated as provided herein.

3. MAINTENANCE OF DIRT TRACK: The Operator at its sole cost and expense shall be responsible for and shall perform any and all maintenance, alterations, preparations and care of the dirt track during the term of this agreement or any extension hereof, so as to provide a dirt track surface equal to the highest standards for like facilities. Operator shall maintain the track in a safe and proper manner during all events. The Operator shall supply all equipment and materials necessary for all repairs, maintenance and preparation of the track.

4. MAINTENANCE OF FACILITY: City shall be responsible for and shall provide at its expense all maintenance, clean up and care of the structures and Facilities located at Dodge City Raceway Park, to include grandstands, concession and restroom areas, ticket booths, pit area, parking lot and all other amenities located at the Facility, with the exception of the interior of the general office building. The City shall be responsible for watering, mowing, trimming and care of all grassy areas, shrubbery and trees within the Facility. The City shall at its expense, maintain the entire Facility,

with the exception of the interior of the general office building, in a clean, neat, safe and proper manner at all times throughout the term of this agreement.

The Operator shall be responsible for the cleaning of the interior of the general office building. The Operator shall at its expense, maintain the interior of the general office building in a clean, neat, safe and proper manner at all times throughout the term of this agreement.

5. FACILITY REPAIRS: The City shall at its expense provide for all normal day to day repairs of the Facility, including but not limited to plumbing repairs, electrical repairs, replacing of bulbs including track and security lighting and damage to track fencing. The City shall be responsible for the repairs to the facility caused by normal use or natural deterioration caused by age, such repairs to the Facility shall be the sole responsibility of the City. Such repairs will be performed in a good and workman like manner and be performed at times which would be least disruptive to the operation of the facility.

In the event of structural damage to any aspect of the Facility which is the result of fire, wind, hail, rain, vandalism, defacement or other casualties, not the fault or beyond the control of the City or the Operator, or the result of a latent structural defect, the City will pay for such repair costs from sales tax revenues pursuant to the Interlocal Agreement.

The Operator shall immediately notify in writing the City of the need for any repairs to the facility which the City may be unaware.

Required repairs to the facility due to neglect, negligence or willful misconduct of the Operator shall be the sole financial responsibility of the Operator. Such repairs will be

made by the City and such costs will be fully reimbursed to the City by the Operator within 30 days of receipt of invoice for such costs.

6. INSPECTION OF FACILITY AND EQUIPMENT: The City may perform random inspections throughout the race season in order to assure proper maintenance of the general office building. A twenty-four (24) hour notice shall be given to the Operator prior to any inspection.

7. MODIFICATIONS AND IMPROVEMENTS: Any modification of the track configuration or other permanent or temporary improvements within the Facility shall be subject to the prior approval of the City and shall be based upon specific plans, specifications and cost estimates and an agreement between the City and the Operator as to the responsibility for payment of such modifications or improvements. Any such improvements to the Facility shall become a part of the Facility, provided, however, upon expiration or termination of this agreement and at City's written request, Operator at its costs and expenses shall restore the track to its original configuration and condition, subject to normal wear and tear.

8. EQUIPMENT: Operator shall be responsible to provide all equipment necessary for the operation of the Facility as well as the costs and expense of the maintenance and operation of said equipment. The Operator shall be entitled to utilize at the Facility existing City-owned equipment located at the Facility. Operator shall be responsible for all repairs and/or replacement of such City-owned equipment if damage is the result of Operator negligence, neglect or willful misconduct. Any disposal of City owned equipment by Operator shall be subject to the prior written approval of the City Manager or his designee.

Any equipment provided or purchased by the Operator and utilized at the Facility shall remain the property of the Operator and shall be removed from the Facility upon termination of this agreement. Any damage resulting from such removal shall be the responsibility of the Operator.

9. PERSONNEL: Operator shall be responsible to provide all personnel necessary for the proper operation, promotion and use of the Facility and all events conducted at the Facility, including but not limited to event security, fire, safety and emergency medical, gatekeepers, ticket sales, concessions, fan accommodations, office staff, sales representatives, track surface preparation and maintenance, racing officials and judges, non-racing event supervision and personnel, PA announcer, and all other required personnel.

Operator shall be solely responsible for all payments, wages, salaries or other benefits provided to such personnel. All such personnel shall be employees, independent contractors or volunteers of the Operator and not of the City. Operator further agrees to save and hold harmless the City of and from any and all claims for wages, compensation or benefits which might be asserted against the City in any manner whatsoever by or through any such personnel arising out of their duties or services provided at the Facility or for the Operator.

10. INSURANCE: Operator shall at its sole cost and expense maintain in full force and effect during the term of this agreement and any extension hereof, liability insurance providing coverage for liability for any injuries, damages, or death occurring during or as a result of an event conducted by the Operator to any participants or fans in

an amount not less than \$2 million, which insurance coverage shall list the City and County as named additional insured's. Operator shall also provide workers compensation insurance for all employees, independent contractors and volunteers of the Operator who provide any services at the Facility. All insurance policies provided by the Operator shall contain provision for at least 30-day prior written notice to the City of any cancellation or modification of insurance coverage. Copies of all such policies and insurance binders shall be provided to the City.

11. UTILITIES: The following utility bills relating to the operation of the Facility, including electric, gas, water, sewer and trash pickup services, will be the responsibility of the City from sales tax revenues pursuant to the Interlocal Agreement; provided, however, City reserves the right to provide a well to provide water for track preparation and irrigation of Facility grounds from sales tax revenues pursuant to the Interlocal Agreement or other sources, subject to the Operator's approval as to the location of any such well if located within the facility, which approval shall not be unreasonably withheld.

The Operator shall be responsible for phone service and bills relating to such service.

12. TAXES: City shall be responsible for the payment of any real estate taxes assessed against the Facility from sales tax revenues pursuant to the Interlocal Agreement. Operator shall be responsible for and shall pay in a timely manner, all other taxes, fees, permits or licenses associated with the Operator's use of the Facility, including but not limited to personal property taxes, sales taxes, payroll taxes, concession and beer licenses and any and all other operating permits, licenses or fees.

13. OPERATIONAL REVENUES AND EXPENSES: Except as specifically provided herein, Operator shall be solely responsible for the timely payment of any and all operational expenses of the Facility and shall retain all revenues resulting from the operation of the Facility, including but not limited to all gate fees, ticket sales, concession sales, advertising sales, sponsorship fees, membership fees and other revenues resulting from the use and operation of the Facility by the Operator.

14. SCHEDULE AND NUMBER OF EVENTS: On or before February 1, 2011, Operator will provide the City with a calendar of proposed events scheduled for the Facility for the 2011 season, which schedule shall include not less than 5 major racing events and 7 local racing events during the racing season, all of which must be agreed to by the City. Any reduction in the required number of scheduled events must have the prior written approval of the City Manager and County Administrator or designee. Additional events may be added at any time by the Operator, but shall not be subsidized by the City unless a separate written agreement is entered into.

Subsequent calendar year schedules shall be proposed to the City not later than November 1st of each year prior to the scheduled year. Each yearly schedule shall contain not less than 7 local racing events and 5 major racing events which events shall be subject to approval of the City.

During the course of any year, the City may request the use of the Facility for non-racing events, subject to the Operator's approval and upon such terms and conditions as are mutually acceptable to the parties. Operator's approval for such events shall not be unreasonably withheld.

15. CONSIDERATION FOR PROMOTION & OPERATION OF MAJOR SPECIAL EVENTS SERVICES: Upon agreement of the 2011 schedule for major special events and classes the Operator and the City shall establish by mutual agreement the major special event subsidies for each event as provided in Attachment A. In no event shall the total City subsidy for all 5 annual major events exceed a total of \$150,000.00. The major special event subsidy shall be agreed to no later than February 15th. The major special event subsidy shall be established annually each calendar year in a manner similar to the form as provided in Attachment A.

Upon the approval of the major special event schedule and classes between the Operator and the City for subsequent seasons, subsidies shall be agreed to no later than December 1st of the year prior to the applicable racing season.

In consideration of the promotional and operational services to be provided by the Operator for the 5 annual major special events in accordance with terms and conditions as set forth herein, the City, in addition to any other payment obligation provided for herein, shall make payments to the Operator from sales tax revenues pursuant to the Interlocal Agreement, in the time and manner following:

- a. Within 30 days from the date Operator has provided the City Manager and County Administrator with an itemized accounting of all costs, expenses, revenues and income for the completed major racing event, including but not limited to all revenues received by Operator from ticket sales, concessions, sponsorships, fees and other compensation whatsoever and documentation from the Operator of all expenses incurred by Operator in the operation of

the Facility and proof of payment of all such expenses, the City will pay to Operator the agreed upon subsidy as a result of such actual revenues and expenses.

16. CONSIDERATION FOR PROMOTIONAL & OPERATIONAL SERVICES OF LOCAL RACING EVENTS: In consideration of the promotional and operational services to be provided by the Operator for the seven (7) local racing events in accordance with terms and conditions as set forth herein, the City, in addition to any other payment obligation provided for herein, shall make payments to the Operator from sales tax revenues pursuant to the Interlocal Agreement, in the time and manner following:

- a. Fifteen (15) days prior to each of the seven (7) local racing events the City will pay the Operator \$5,000.00.
- b. Following the completion of all seven (7) local racing events and within thirty (30) days of submission of all attendance, car count information, and other information as may be reasonably requested by the City, the City will pay the Operator Fifteen Thousand Dollars (\$15,000.00).

17. OTHER EVENTS: In addition to the number of local racing events as stated in paragraph 14 above, the Operator may conduct various special events at the Facility in accordance with the following terms and conditions; unless modified by a separate written agreement to the contrary:

- a. Any such event must have the prior written approval of the City Manager and County Administrator or their designees; which will address the terms and conditions related to the event;

b. Operator shall be solely responsible for any and all expenses incurred with regard to the event, including but not necessarily limited to the obligations of Operator pursuant to the terms of this agreement; and shall retain all revenues resulting except for the commission as may be negotiated per events included in paragraph (a) above. ;

c. Operator shall be solely responsible for any and all damages to the track and facility as a result of the Event.

18. PERFORMANCE STANDARDS: Operator will keep accurate attendance records for all events conducted at the Facility. Within 30 days following each event conducted at the Facility, the Operator will provide to the City an affidavit and supporting records verifying the total attendance for the event. The total attendance figure for the major shows shall be divided by the number of major events actually conducted at the facility during the year to establish an "average attendance" per major show event.

In the event the "average attendance" per event for any year is below 1000, then the City shall have the option of terminating this agreement by providing written notice of such intent to terminate within 30 calendar days of receipt of said notice. If within 30 days of receipt of the notice of termination the parties have not reached a mutually acceptable agreement for the continued operation of the Facility by the Operator, this agreement shall terminate and both parties shall be released from any further obligations under this agreement, except only for the Operator's obligation for full payment of any outstanding unpaid obligations at the time of such termination.

19. EXTENSIONS OF INITIAL TERM: Upon the expiration of the initial term of this agreement on December 31, 2015, this agreement shall automatically extend for additional five-year terms, unless either party provides written notice to the other of its intent not to renew the agreement in accordance with the following procedure:

(a) If either party desires not to renew the agreement, the terminating party shall deliver to the other party, on or before August 1st of the year of expiration, written notice of its intent not to extend the agreement. In the event of such notice the parties agree to immediately enter into good faith negotiations for renewal of an operation agreement based on terms and conditions which are mutually acceptable to both parties. If such negotiations fail to produce a mutually acceptable agreement, this agreement will expire on December 31 of that year. Upon either such termination both parties shall be released from any further obligations under this agreement except only for the Operator's full payment of any outstanding unpaid obligations of the Operator at the time of termination.

20. NON-APPROPRIATION OF CITY PAYMENTS: The parties understand and agree that the payment obligations of the City as set forth herein, including the payment obligation as set forth in Paragraph 15 above, are subject to the provisions of the Kansas Cash Basis Law and continued collection of sales tax revenues. The City currently intends to continue this agreement through its term and to make all payments as provided for herein, and currently intends to make provision for such payments in each annual budget submitted and adopted in accordance with applicable provisions of state law and the provisions of the Interlocal Agreement. Notwithstanding the foregoing, however, the parties acknowledge that the City is obligated only to pay

periodic payments as provided herein as may lawfully be made from sales tax funds budgeted and appropriated for that purpose during the current budget year, or funds made available from any lawfully operated revenue producing source. The City agrees to give written notice of such non-appropriation to the Operator at least 30 days prior to December 31 of the year during which such non-appropriation occurs. The City shall pay all payments remaining due through the end of that year, if any. In the event of such non-appropriation the Operator may terminate this agreement at any time after receiving notice from the City of such non-appropriation of funds to satisfy the payment obligations. Such non-appropriation shall not constitute a default or breach of the agreement by the City and Operator may elect to continue this agreement notwithstanding the City's failure to satisfy its payment obligations due to such non-appropriation.

21. GENERAL CONDITIONS:

a. The Operator shall pay in a timely manner any and all obligations incumbent upon it under the terms and conditions of this agreement and shall not allow any type of lien or encumbrance to attach to the Facility resulting from nonpayment of any Operator obligations.

b. This agreement may be amended at any time by mutual written agreement of the parties.

c. This agreement shall not be assigned or transferred to any other person or entity without the prior written consent of the City.

d. This agreement shall be binding on the parties hereto and their respective successors and assigns.

e. The parties hereto do hereby warrant that each party is legally authorized to enter into this agreement and that all actions necessary to authorize approval of this agreement by the persons executing the same has been duly obtained so as to legally bind the party so represented.

f. The relationship created by virtue of this agreement between the City and the Operator is that of an independent contractor, and nothing contained herein is intended to establish and does not establish any relationship other than that of an independent contractor.

g. For purposes of this agreement, the effective date of said agreement shall be January 1, 2011, despite the later approval by the parties of said agreement.

h. All reports, notices or other communications called for under this agreement shall be between the Operator and the City Manager who is hereby designated by the City to administer this agreement on behalf of the city.

i. In the event either party breaches any terms or condition of the Agreement, then said party shall have the option of terminating this agreement by providing written notice of such intent to terminate within 30 calendar days of receipt of said notice. If within 30 days of receipt of the notice of termination the parties have not reached a mutually acceptable agreement for the continued operation of the Facility by the Operator, this agreement shall terminate and both parties shall be released from any further obligations under this agreement, except only for the Operator's obligation for full payment of any outstanding unpaid obligations at the time of such termination.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates reflected below.

UNITED STATES AUTO CLUB

By Kevin Miller
Kevin Miller, Chief Executive Officer

ATTEST:

Sherril Reagan
Secretary

Dated this 24th day of February, 2011.

CITY OF DODGE CITY, KANSAS

By _____
Kent E. Smoll, Mayor

ATTEST:

Nannette Pogue, City Clerk

Dated this ___ day of _____, 2011.

Draft 01/11/11

APPROVED BY THE FORD COUNTY COMMISSION:

By _____
Kim Goodnight, Chairman

By _____
Jerry King

By _____
Terry Williams

ATTEST:

Sharon Seibel, Ford County Clerk

Dated this ____ day of _____, 2011.

Special Events:

- #1 April 22 – USAC Midgets
April 23 – USAC Midgets
- #2 May 7 – NCRA Sprints
- #3 June 4 – NCRA vs. CLMA Late Models
- #4 July 1 – World of Outlaws Sprints
July 2 – World of Outlaws Sprints
- #5 August 12 – USAC Sprints
August 13 – USAC Sprints
- #6 September 30 – BST & URSS Sprints
October 1 – BST & URSS Sprints

Weekly Events:

- #1 April 22 – Stock Cars, Thunder Cars
- #2 April 23 – Modifieds, Sport Mods
- #3 May 7 – Modifieds, Sport Mods, Stock Cars
- #4 June 4 – Modifieds, Sport Mods, Stock Cars, Thunder Cars
- #5 June 18 - Modifieds, Sport Mods, Stock Cars, Thunder Cars
- #6 July 1 – Sport Mods, Stock Cars
- #7 July 2 – Modifieds, Stock Cars
- #8 August 12 – Stock Cars, Thunder Cars
- #9 August 13 – Modifieds, Sport Mods
- #10 September 2 – BST Modifieds, Sport Mods, Stock Cars, Thunder Cars
- #11 September 3 – Modifieds, Sport Mods, Stock Cars, Thunder Cars
- #12 September 30 – Sport Mods, Stock Cars, Thunder Cars
- #13 October 1 – Sport Mods, Stock Cars, Thunder Cars