

**MEETING NOTICE
MAIZE CITY COUNCIL
SPECIAL MEETING**

TIME: 11:00 A.M.
DATE: WEDNESDAY, JANUARY 29, 2020
PLACE: MAIZE CITY HALL
10100 W. GRADY AVENUE

**MAIZE CITY COUNCIL AGENDA
MAYOR DONNA CLASEN PRESIDING**

- 1) Call to Order
- 2) Roll Call
- 3) Approval of Agenda
- 4) New Business
 - A. Resolution for Parkland Acquisition
 - B. Charter Ordinance Exempting the Provisions of K.S.A. 12-1736 ET. SEQ.
 - C. Purchase Agreement for Parkland
- 5) Adjournment

NOTE: At the conclusion of the Special Council Meeting, the Mayor will conduct the weekly Mayor's Workshop/Informational meeting. Agenda under separate cover.

**MAIZE CITY COUNCIL
SPECIAL MEETING
WEDNESDAY, JANUARY 29, 2020**

AGENDA ITEM #4A

ITEM: Resolution for Parkland Acquisition

BACKGROUND:

During the January 20, 2020, regular Council meeting, staff recommended the properties located at 460 W. Academy and 320 S. Cathey be purchased for “parkland”
A certified appraisal, in the amount of \$240,000, has been completed.

Staff was directed to negotiate the acquisition of property.
The property owner agreed to the appraisal amount plus any closing cost related to the purchase.

This acquisition is in line with the Comprehensive Plan and the Academy Arts District plan.

Once the resolution is in effect, it allows the City to issue temporary notes to finance the acquisition costs of the property.

The seller requested to expedite the closing date.
To accomplish this staff is proposing to use available project funds to acquire the property.
At a later date the Temporary Notes will be issued and the project fund will be reimbursed.

Staff proposes to payback the temporary notes prior to bonding.
Achieving this will require allocating funds into the Parks CIP for this repayment over the next three years.

It is anticipated that the Council action to issue the Temporary Notes will take place in February or March.

FINANCIAL CONSIDERATIONS:

The immediate funding for this acquisition will come from existing project funds and will not impact the 2020 budget.

Project funds will be reimbursed from the proceeds of the temporary notes.

The temporary note will be paid off through funds through the Parks CIP through budget year 2023.

LEGAL CONSIDERATIONS:

Bond Counsel approves as to form.

RECOMMENDATION/ACTION:

Approve the resolution of intent to acquire property for the use of parkland at 460 W. Academy and 320 S. Cathey in an amount not to exceed \$260,000 utilizing the General Obligation Bond funding mechanism.

RESOLUTION NO. _____

A RESOLUTION DECLARING IT NECESSARY TO ACQUIRE LAND FOR PARK PURPOSES FOR USE BY THE CITY OF MAIZE, KANSAS, AND TO ISSUE GENERAL OBLIGATION BONDS OF SAID CITY TO PAY THE COSTS THEREOF; AND PROVIDING FOR THE GIVING OF NOTICE OF INTENTION TO ACQUIRE SAID LAND AND TO ISSUE SAID GENERAL OBLIGATION BONDS THEREFOR.

WHEREAS, K.S.A. 12-1301 *et seq.* (the “Act”) authorizes any city to acquire by purchase, lease or options upon, land within or without the limits of said city to be used as a public park for the use and benefit of the people of said city; and

WHEREAS, the Act further provides that for the purpose of acquiring land for park purposes under the provisions of the Act or for the improvement thereof, cities may issue bonds whenever in the judgment of the governing body thereof it shall be expedient to acquire such lands or make such improvements; provided, no such bonds shall be issued for the purpose of making improvements for park purposes until the governing body shall be instructed to do so by a majority of all the votes cast on the proposition at any general or special election; *provided further*, before bonds shall be issued for the purpose of acquiring land for park purposes under the provisions of the Act the governing body of the city shall cause to be published once each week for two (2) consecutive weeks in the official city paper a notice of its intention to acquire such lands and issue bonds in payment thereof, which shall describe the lands to be acquired and the amount of the bonds to be issued; and Such bonds may be issued and the property acquired unless a petition requesting an election upon the issuance of such bonds, signed by electors equal in number to not less than ten percent (10%) of the electors who voted at the last preceding regular city election as shown by the poll books, is filed with the city clerk within thirty (30) days following the last publication of such resolution. In the event a sufficient petition is filed within the time provided, no such bonds shall be issued until the governing body shall have submitted the question to and received the approval of a majority of those voting on the proposition at an election; and

WHEREAS, the Act provides that such bonds may be issued and the property acquired unless a petition requesting an election upon the issuance of such bonds, signed by electors equal in number to not less than ten percent (10%) of the electors who voted at the last preceding regular city election as shown by the poll books, is filed with the city clerk within thirty (30) days following the last publication of such resolution. In the event a sufficient petition is filed within the time provided, no such bonds shall be issued until the governing body shall have submitted the question to and received the approval of a majority of those voting on the proposition at an election; and

WHEREAS, the City of Maize, Kansas (the “City”) hereby finds and determines it to be necessary and expedient to acquire certain real property for park purposes and further finds and determines it to be necessary to issue general obligation bonds of the City in order to provide funds to pay the cost thereof; and hereby further finds and determines it to be necessary to provide for the giving of notice of said intention in the manner prescribed by the Act.

THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MAIZE, KANSAS;

Section 1. Declaration of Necessity. It is hereby declared to be necessary and expedient to acquire for park purposes under the Provisions of the Act the real property described on *Exhibit A* hereto (collectively, the “Parcels”).

Section 2. Financing Authority. The estimated cost of acquiring the Parcels is \$260,000. The costs of acquiring the Parcels, interest on interim financing and associated financing costs shall be paid from the proceeds of general obligation bonds of the City (the “Bonds”) to be issued by the City for said purpose in an amount not to exceed \$260,000; *provided, however*, no such Bonds shall be issued nor shall the proceeds of any Bonds be expended for the purpose of making improvements to the Parcels for park purposes unless the governing body shall be instructed to do so by a majority of all the votes cast on the proposition at any general or special election held pursuant to the Act.

Section 3. Reimbursement Authority. The Bonds authorized herein may be issued to reimburse expenditures made on or after the date that is 60 days before the date of this Resolution pursuant to Treasury Regulation §1.150-2.

Section 4. Notice of Intent. A notice of the intention to acquire the Parcels and issue the Bonds to pay the costs thereof, interest on interim financing and associated financing costs shall be published once each week for two (2) consecutive weeks in the official City newspaper. If, within thirty (30) days following the date of such last publication, a petition signed by not less than ten percent (10%) of the qualified electors of the City who voted at the last preceding regular City election is filed with the City Clerk, no such Bonds shall be issued until the governing body of the City shall have submitted the question to and received the approval of a majority of those voting on the proposition at an election. If, however, no such protest petition is timely filed, the City will proceed with the acquisition of the Parcels and the issuance of the Bonds.

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ADOPTED AND APPROVED by the governing body of the City of Maize, Kansas, on January 29, 2020.

(Seal)

Mayor

ATTEST:

Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Resolution No. _____ of the City of Maize, Kansas adopted by the governing body on January 29, 2020 as the same appears of record in my office.

DATED: January 29, 2020.

Clerk

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Exhibit A

Real Property in the City of Maize, Kansas, further described as follows:

460 W. Academy:

BEG 30 FT N SE COR NW 1/4 N ALG E LI THEREOF 402 FT W 340 FT S 242 FT E 60 FT S
80 FT E 120 FT S 80 FT E 160 FT TO BEG SEC 19-26-1W

320 S. Cathey:

BEG 160 FT W & 30 FT N SE COR NW1/4W 120 FT N 80 FT E 120 FT S 80 FT TO BEG.
SEC 19-26-1W

(Published in the *Clarion* on February 6, 2020, and subsequently on February 13, 2020)

NOTICE OF INTENT

TO: ALL RESIDENTS OF THE CITY OF MAIZE, KANSAS:

Public notification is given that the governing body of the City of Maize, Kansas (the "City") adopted a resolution on January 29, 2020, declaring it to be necessary to acquire certain real property in the City as further described below (the "Parcels") for park purposes under the provisions of K.S.A. 12-1301 *et seq.* (the "Act"), at an estimated cost of \$260,000. The costs of acquiring the Parcels, interest on interim financing and associated financing costs will be paid from the proceeds of general obligation bonds of the City in the amount not to exceed \$260,000 (the "Bonds") to be issued by the City for said purpose.

This Notice of Intent shall be published once each week for two (2) consecutive weeks in the official City newspaper. If, within thirty (30) days following the date of the last publication, a petition requesting an election signed by not less than ten percent (10%) of the qualified electors of the City who voted in the last regular City election is filed with the City Clerk, no such Bonds shall be issued until the issuance thereof shall have been approved by a majority of the qualified electors of the City voting on the question of such issuance at an election to be called and held for that purpose. If, however, no such petition is timely filed, the governing body of the City will proceed with the acquisition of the Parcels and the issuance of the Bonds.

Real Property in the City of Maize, Kansas, further described as follows:

460 W. Academy:

BEG 30 FT N SE COR NW 1/4 N ALG E LI THEREOF 402 FT W 340 FT S 242 FT E 60 FT S
80 FT E 120 FT S 80 FT E 160 FT TO BEG SEC 19-26-1W

320 S. Cathey:

BEG 160 FT W & 30 FT N SE COR NW1/4W 120 FT N 80 FT E 120 FT S 80 FT TO BEG.
SEC 19-26-1W

DATED: February 6, 2020.

/S/ Donna Clasen, Mayor

ATTEST:

/S/ Jocelyn Reid, City Clerk

CERTIFICATE OF NO PROTEST

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

The undersigned, Clerk of the City of Maize, Kansas (the “City”), does hereby certify that a Notice of Intent was published in *The Clarion* on February 6, 2020 and subsequently on February 13, 2020, pursuant to a resolution adopted by the governing body of the City on January 29, 2020, declaring it necessary to acquire certain real property in the City for park purposes at an estimated cost of \$260,000, and to issue general obligation bonds of the City (the “Bonds”), under the authority of K.S.A. 12-1301 *et seq.* (the “Act”) in order to pay the costs thereof. More than sixty (30) days has elapsed from the date of the last publication of the Notice of Intent; and there has been no sufficient written protest filed in my office against the acquisition of such real property or against the issuance of the Bonds, as provided by the Act.

WITNESS my hand and official seal on _____, 20 ____.

(Seal)

City Clerk

**MAIZE CITY COUNCIL
SPECIAL MEETING
WEDNESDAY, JANUARY 29, 2020**

AGENDA ITEM #4B

ITEM: Charter Ordinance Exempting the Provisions of K.S.A 12-1736

BACKGROUND:

At the January 20th Regular meeting, staff was directed by Council to negotiate the acquisition of property for the intent of parkland at 460 W. Academy and 320 S. Cathey.

This acquisition is in line with the Comprehensive Plan and the Academy Arts District plan.

This Charter Ordinance, once effective, will allow the City to issue notes and bonds to finance the demolition of the structures located on the acquired property site without an election.

There is a 60-day protest period following the 2nd publication of the Charter Ordinance.

FINANCIAL CONSIDERATIONS:

In addition to allowing for the financing of the demolition requirements, the Charter Ordinance provides the City greater financing flexibility for public building and facility projects that may arise in the future.

LEGAL CONSIDERATIONS:

Bond Counsel approves as to form.

RECOMMENDATION/ACTION:

Approve the Charter Ordinance Exempting the City of Maize from the Provisions of K.S.A. 12-1736.

(Published in *The Clarion* on February 6, 2020 and February February 13, 2020)

CHARTER ORDINANCE NO. ____

A CHARTER ORDINANCE EXEMPTING THE CITY OF MAIZE, KANSAS, FROM THE PROVISIONS OF K.S.A. 12-1736 ET. SEQ. AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISIONS ON THE SAME SUBJECT RELATING TO PUBLIC BUILDING IMPROVEMENTS AND THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING FOR SAID IMPROVEMENTS.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas (the “Act”), provides that cities may exercise certain home rule powers, including passing charter ordinances which exempt such cities from non-uniform enactments of the Kansas Legislature; and

WHEREAS, the City of Maize, Kansas (the “City”) is a city, as defined in the Act, duly created and organized, under the laws of the State of Kansas; and

WHEREAS, K.S.A. 12-1736 and K.S.A. 12-1737 are part of an enactment of the Kansas Legislature (K.S.A. 12-1736 *et seq.*) relating to public building improvements and the issuance of bonds for such purposes, which enactment is applicable to the City, but is not uniformly applicable to all cities within the State of Kansas; and

WHEREAS, the governing body of the City desires, by charter ordinance, to exempt the City from the provisions of K.S.A. 12-1736 and K.S.A. 12-1736, and to provide substitute and additional provisions therefor.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MAIZE, KANSAS:

Section 1. Exemption. The City, by virtue of the powers vested in it by the Act, hereby elects to exempt itself from and make inapplicable to it the provisions of K.S.A. 12-1736 and K.S.A. 12-1737, and shall be governed by the substitute and additional provisions contained herein.

Section 2. Acquisition, demolition or construction of public buildings; sites; cooperating governmental units. The City may erect or construct, acquire by gift, purchase, condemnation or lease a public building or facilities and procure any necessary site therefor by gift, purchase or condemnation and may alter, demolish, repair, reconstruct, remodel, replace or make additions to, furnish and equip a public building or facility located on such site. The authority herein conferred may also be exercised jointly or in cooperation with any other governmental unit so empowered, upon such terms and conditions as shall be agreed upon by the governing body of the city and the governing body of such cooperating governmental unit.

Section 3. Methods of financing authorized; issuance of bonds; tax levy, use of proceeds; protest petition and election; investment of fund; issuance of no-fund warrants. The governing body of the City may, for the purposes authorized and provided by the foregoing section:

- (a) Receive and expend gifts;

- (b) receive and expend grants-in-aid of state or federal funds;
 - (c) issue general obligation bonds of the City;
 - (d) levy an annual tax of not more than two mills, which tax levy may be made for a period not exceeding 10 years upon all taxable tangible property in such city for the purpose of creating a building fund to be used for the purposes herein provided and to pay a portion of the principal and interest on bonds issued by such city under the authority of K.S.A. 12-1774, and amendments thereto;
 - (e) issue no-fund warrants;
 - (f) use moneys from the general operating fund or other appropriate budgeted fund when available;
 - (g) use moneys received from the sale of public buildings or buildings and sites; or
 - (h) combine any two or more of such methods of financing for the purposes herein authorized
- except that the City shall first use funds received from the payment of insurance claims for damages sustained by any such public building before resorting to methods of financing herein authorized.

Before issuing its general obligation bonds to pay the costs of public building improvements authorized and provided by **Section 2** hereof, the governing body of the City shall adopt a resolution describing the type of public building improvement to be provided for and the amount of general obligation bonds to be issued. Such resolution may contain, but is not required to contain, a provision that the issuance of the bonds be subject to: (a) publication of such resolution one time in the official City newspaper, and if within 30 days after the date of publication of the resolution, a petition in opposition to the issuance of the bonds, signed by not less than 10% of the qualified electors of the City, is filed with the City Clerk, the City shall not have the authority to issue the bonds until such question is submitted to the electors of the City at a special election called for that purpose or at the next general election and approved by a majority of the electors of the City voting at such election; or (b) approval by a majority of the electors of the City voting on such question at a special election called for that purpose or at the next general election. If such resolution does not contain a provision described in the foregoing **subsection (a)** or **subsection (b)**, or if such resolution does contain a provision described in the foregoing **subsection (a)**, but no protest is filed as described in **subsection (a)**, the City may proceed to issue the bonds. Any election required by this section shall be conducted in the manner set forth in K.S.A. 10-120 by the election officer of Sedgwick County. General obligation bonds authorized by this section shall be issued, sold, delivered and retired in accordance with the provisions of the general bond law except as herein otherwise expressly provided.

No levies shall be made for the purpose of creating a building fund under the provisions of this section until a resolution authorizing the making of such levies is adopted by the governing body of the City. Such resolution shall state the specific purpose for which the tax levy is made, the total amount proposed to be raised and the number of years the tax levy shall be made. The resolution shall be published once each week for two consecutive weeks in the official City paper. After publication, the levies may be made unless a petition requesting an election upon the question of whether to make the levies is filed in accordance with this section. Such petition shall be signed by electors equal in number to not less than 10% of the electors who voted at the last preceding regular City election as shown by the poll books, is filed with the City Clerk within 60 days following the last publication of the resolution. If a valid petition is filed, the governing body shall submit the question to the voters at an election called for that purpose or at the next regular City election.

The levy authorized by this section shall be in addition to and not limited by any other act authorizing or limiting the tax levies of the City. The building fund may be used for the purposes provided by this section at any time after the second levy has been made. If there are insufficient moneys in the building fund for expenditures for such purposes, the governing body of the City may issue bonds of the City in the manner provided by the general bond law of the state and in an amount which, together with the amount raised by the tax levy authorized by this act, will not exceed the total amount stated in the resolution creating such fund. Cities are hereby authorized to invest any portion of the special building fund which is

not currently needed in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein or in direct obligations of the United States government maturing or redeemable at par and accrued interest within three years from date of purchase, the principal and interest whereof is guaranteed by the government of the United States. All interest received on any such investment shall upon receipt thereof be credited to the special building fund.

No-fund warrants issued under the authority of this section shall be issued in the manner and form and bear interest and be redeemed as prescribed by K.S.A. 79-2940, and amendments thereto, except that they may be issued without the approval of the state board of tax appeals and without the notation required by K.S.A. 79-2940, and amendments thereto. The governing body of the City issuing such warrants shall levy a tax for the first tax levying period after such warrants are issued, sufficient to pay such warrants and the interest thereon. All such tax levies shall be in addition to all other levies authorized or limited by law, and none of the tax limitations provided by article 19 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, shall apply to such levies.

Section 4. Severability. If any provision or section of this Charter Ordinance is deemed or ruled unconstitutional or otherwise illegal or invalid by any court of competent jurisdiction, such illegality or invalidity shall not affect any other provision of this Charter Ordinance. In such instance, this Charter Ordinance shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 5. Effective Date. This Charter Ordinance shall be published once a week for two consecutive weeks in the official City newspaper, and shall take effect sixty (60) days after final publication, unless a petition signed by a number of electors of the City equal to not less than ten percent (10%) of the number of electors who voted at the last preceding regular City election shall be filed in the office of the City Clerk demanding that this Charter Ordinance be submitted to a vote of the electors, in which event this Charter Ordinance shall take effect when approved by a majority of the electors voting at an election held for such purpose.

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PASSED with at least a two-thirds (2/3) vote of the entire governing body of the City of Maize, Kansas, on January 29, 2020 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

Mayor

ATTEST:

Clerk

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original Charter Ordinance No. ____; that was passed by the governing body on January 29, 2020; that the record of the final vote on its passage is found on page ____ of journal ____.

DATED: January 29, 2020.

Clerk

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CERTIFICATE OF NO PROTEST

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

The undersigned, Clerk of the City of Maize, Kansas (the “City”), does hereby certify that the governing body of the City duly passed Charter Ordinance No. _____, on January 29, 2020, that said Charter Ordinance was published once a week for two consecutive weeks (February 6, 2020 and February 13, 2020) in *The Clarion*, the official City newspaper; that more than sixty (60) days have elapsed from the date of the last said publication; and that there has been no sufficient written protest filed in my office against said Charter Ordinance, as provided in Article 12, Section 5 of the Kansas Constitution.

WITNESS my hand and official seal on _____, 2020.

(Seal)

Clerk

**MAIZE CITY COUNCIL
SPECIAL MEETING
WEDNESDAY, JANUARY 29, 2020**

AGENDA ITEM #4C

ITEM: **Purchase Agreement for Property**

BACKGROUND:

The background information for this item is outline in the in 4A and 4B coversheets of this agenda.

FINANCIAL CONSIDERATIONS:

The City's responsibility will be for the appraised amount (\$240,000) plus closing costs.

The immediate funding for this acquisition will come from existing project funds and will not impact the 2020 budget.

Project funds will be reimbursed from the proceeds of the temporary notes.

The temporary note will be paid off utilizing funds set aside in Parks CIP in budget years 2021-2023.

LEGAL CONSIDERATIONS:

The City Attorney approves the agreement as to form.

RECOMMENDATION/ACTION:

Approve the purchase agreement to acquire property for the use of parkland at 460 W. Academy and 320 S. Cathey in an amount not to exceed \$260,000 and authorize the Mayor to sign.

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (the "Agreement") entered into on this ____ day of _____, 2020, by and between Lori A. Cathey, a single person (the "Seller"), and the City of Maize, Sedgwick County, Kansas, a city of the third class operating and existing under the laws of the State of Kansas (the "Buyer").

NOW, THEREFORE, in consideration of the mutual promises, covenants and payments hereinafter set out, the parties hereto do hereby contract to and with each other as follows:

1. Property. The Seller does hereby agree to sell and convey to Buyer, by a good and sufficient warranty deed subject to easements of record only, the real property situated in Sedgwick County, Kansas, that is legally described as follows, to-wit:

Beginning 30 feet North of the Southeast corner of the Northwest Quarter, North along the East line thereof 402 feet, West 340 feet, South 242 feet, East 60 feet, South 160 feet, East 280 feet to the beginning, Section 19 Township 26 South Range 1 West, Sedgwick County, Kansas.,

commonly known as 460 West Academy, Maize, Kansas, and 320 South Cathey, Maize, Kansas (the "Property").

2. Purchase Price. The Buyer agrees to purchase and pay to the Seller as consideration for the conveyance to the Buyer of the Property the sum of Two Hundred Forty Thousand Dollars (\$240,000.00) (the "Purchase Price"), in the form of a certified check drawn on a responsible banking institution at Closing.

3. Closing Date. It is understood and agreed between the parties hereto that time is of the essence for this Agreement and that this transaction shall be consummated and closed (the "Closing" or "Closing Date") on or before February 29, 2020. The Closing shall take place at the title company or such other place as may be agreed upon by the parties.

4. Title Evidence. Buyer shall pay the closing agent costs and the cost of a title insurance company's commitment and policy to insure the Property, showing a merchantable title vested in Seller, subject to easements, rights of way and restrictions of record that are acceptable to Buyer. The title evidence, including exception documents, shall be sent to Buyer for examination by Buyer. Buyer shall have ten (10) days after the receipt of the title evidence and exception documents to examine and notify Seller in writing of any objections by Buyer to the title evidence. Those items listed on the title commitment or in the title evidence as to which Buyer does not object in writing to Seller within ten (10) days after receipt of the title evidence, or as to which Buyer waives his objection, shall be permitted exceptions. If Seller fails to satisfy all such

title objection requirements (and Seller shall use reasonable efforts to do so) within a reasonable time after receipt of Buyer's title objection requirements, Buyer may, at Buyer's election, either: (a) cancel this contract, in which event this Contract will be canceled and the parties will have no further obligations to each other; or (b) accept such title as Seller can deliver.

5. Possession. Possession of the Property is to be given to the Buyer on the date of Closing.

6. Effective Date. The Effective Date of this Contract will be the last date in which this Contract is accepted and fully executed by the Buyer and Seller.

7. Prorations and Closing Costs. The Buyer shall pay the title company's closing fees, recording costs and all other closing costs. The Seller at closing shall pay all ad valorem taxes and the installments of special assessments, if any, due in the year of closing adjusted and prorated to the Closing Date. Taxes shall be prorated for the tax year in which the Closing occurs on the basis of taxes levied, or if the taxes for the year of Closing are not known as of the Closing Date, then such taxes shall be prorated using the most recent assessed value of the Property and the mill levy for the preceding year. If the taxes for the year of Closing are not known as of the Closing Date, then subsequent to Closing, at such time as the actual amount of such taxes for the year in which the Closing occurs has been determined, the proration of such taxes as to the Closing Date shall be recalculated using the actual tax figures and the Seller shall pay the Buyer the amount of any underpayment or the Buyer shall refund to the Seller the amount of any overpayment. Proration obligations set forth in this Paragraph shall survive the Closing and shall continue to be enforceable.

8. Environmental and Engineering Studies and Contingencies. (a) The Buyer is hereby authorized to conduct such soil tests, environmental tests and studies and engineering studies as the Buyer deems necessary with respect to the Property. For such purposes, the Buyer and the Buyer's agents, employees and contractors shall have the right pending Closing to go upon the Property at all times. The cost of the tests and studies shall be paid by the Buyer. The Buyer agrees to indemnify and hold harmless the Seller from all liens, liabilities, damages, costs and expenses arising from personal injuries or physical damage to the Property which is caused by the Buyer's inspections and testing of the Property.

(b) The purchase of the Property is contingent upon Buyer's determination that: (i) environmental conditions of the Property are acceptable, (ii) reports of engineering studies performed are acceptable, and (iii) Buyer otherwise satisfies itself as to the suitability of the Property for its intended use.

9. Environmental Representation. The Seller hereby covenants, warrants and represents that to the best of the Sellers' knowledge, the Property has not been

used as a solid waste disposal site nor is there any subsurface fill, debris, underground storage tanks or hazardous material (hereinafter defined) located in, on or under the Property. For the purpose of this Paragraph, "Hazardous Materials" means and includes: (i) any hazardous waste, hazardous substances, toxic materials, pollutants, contaminants or industrial wastes (as these terms are defined in any federal, state or local statute, law, ordinance or regulation); (ii) any waste or petroleum product; and (iii) any asbestos, asbestos-containing material, urea formaldehyde or material which contains urea formaldehyde. The Buyer shall have the unqualified right to terminate this Agreement prior to Closing without penalty or breach of any sort if the Buyer becomes aware of any existing environmental condition which has a substantial adverse effect on the value of the Property or whereupon the parties shall be relieved of their respective rights and obligations set forth in this Agreement.

10. Survey. The Buyer may, at the Buyer's expense, cause to be prepared a current survey (the "Survey") of the Property, prepared by a Registered Public Surveyor or Professional Engineer acceptable to the Buyer.

11. Adverse Conditions. Buyer's obligation to close is contingent upon there being at the time of closing no material adverse change in the condition of the Property not caused by Buyer after the end of the Inspection Period, including, but not limited to: (a) environmental contamination; (b) access; (c) the availability, adequacy and cost of or for all utilities serving the Property; and (d) any action in place or threatened which would restrict or prevent Buyer's intended use of the Property.

12. Special Assessments. In compliance with Kansas law, Seller hereby discloses to Buyer that the Property is subject to special assessments for the purposes stated below or is located in an improvement district that may occasion the imposition of special assessments on the Property for such purposes, as follows:

N/A (\$0.00)

13. Law Governing. This Agreement will be governed and construed in accordance with the laws of the State of Kansas and venue shall be in Sedgwick County, Kansas.

14. Notice and Demand. A notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if delivered in person or sent by mail, postage prepaid:

to the Seller:
Lori Cathey
320 South Cathey
Maize, KS 67101

to the Buyer:
City of Maize, Kansas
Attn: Richard LaMunyon, City Administrator
10100 Grady Avenue
P.O. Box 245
Maize, KS 67101

15. Disclosure of Realtor. The Seller and the Buyer covenant and represent to each other that no party is entitled to be paid a fee or commission in connection with the transaction contemplated by this Agreement, and neither the Buyer nor the Seller has had any dealings or agreements with a realtor, either an individual or agency, in connection herewith except as previously disclosed by the Buyer herein. If any realtor shall assert a claim to a finder's fee or commission or other similar fee against either the Buyer or the Seller on account of an alleged employment, arrangement or contract as a broker or a finder, then the party who is alleged to have retained such individual or entity shall and does hereby agree to indemnify and hold harmless the other party from and against any such claim and all costs, expenses, liabilities and damages incurred in connection with such claim or any action or proceeding brought thereon.

16. Survival. All covenants, representations and warranties made by the Buyer or the Sellers herein shall survive the Closing of this Agreement.

17. Severability. If any provision of this Agreement (the effect of which does not adversely affect the receipt of any material benefit by or in favor of any party hereunder or substantially increase the burden on any party hereto) shall be held invalid or unenforceable to any extent, the same shall not affect in any respect whatsoever the validity or enforcement of the remainder of this Agreement.

18. Miscellaneous. This Agreement shall be construed as a whole in accordance with its fair meaning. The captions set forth at the beginning of each paragraph are for the convenience of the parties only and are not intended to fully describe or define the provisions of the portions of the Agreement to which they pertain. With respect to this Agreement, time is of the essence. If any date under this Agreement on which an event is to occur or notice is to be given falls on a Saturday, Sunday or federal holiday, then such date shall be the first business day following such Saturday, Sunday or federal holiday.

19. Counterparts. The parties agree that this Agreement may be executed in a number of counterparts which together shall constitute the agreement of the parties.

20. Integration; Modification; Waiver. This Agreement constitutes a complete and final expression of the agreement of the parties relating to the Property and supersedes all previous contracts, agreements and understandings of the parties, either oral or written, relating to the Property. This Agreement cannot be modified, or any of the terms hereof waived, except by an instrument in writing referring specifically to this Agreement executed by the party against whom enforcement of the modification or waiver is sought.

21. Authority to Bind. Each individual who executes this Contract on behalf of a party represents that he or she is duly authorized to execute this Contract on behalf of that party and is operating within the scope of his or her authority.

22. Good Faith. Each party to this Contract shall use good faith and reasonably commercial efforts to accomplish the actions provided for in this Contract in due time and to cooperate with all other parties in doing so.

23. Agreement to Terms. Buyer and Seller acknowledge that they have read the entire Contract and that by signing below agree to all terms contained herein.

24. Time Is of the Essence. Time is of the essence of this Contract.

25. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

26. Electronic Signatures and Fax Signatures. Hand signatures transmitted by fax or electronic mail (such as PDF) are permitted as binding signatures to this Contract. Signatures may be signed in counterpart, on separate pages, and then assembled as the complete agreement of the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

“SELLER”

LORI A. CATHEY

“BUYER”

CITY OF MAIZE, KANSAS

DONNA CLASEN, Mayor

ATTEST:

Jocelyn Reid, City Clerk