ABILENE KANSAS

ABILENE CITY COMMISSION - REGULAR MEETING AGENDA

ABILENE PUBLIC LIBRARY, 209 NW FOURTH STREET

January 13, 2020 - 4:00 pm

1. Call to Order
2. Roll Call: ____ Shafer ____Ostermann ____ Marshall ____ Witt ____Casteel
3. Pledge of Allegiance

City Commission Installation

4. Oath of Office to Commissioners-Elect
5. Mayoral and Vice Mayor selection.

Consent Agenda *(Consent Agenda items will be acted upon by one motion unless a majority of the City Commission votes to remove an item for discussion and separate action.)*

6. Agenda Approval for the January 13, 2020 City Commission Meeting
7. Meeting Minutes: December 9, 2019 Regular Meeting
8. Approval of Resolution 011320-1, a resolution authorizing the City of Abilene's financial statements for fiscal year 2020 to be prepared in compliance with the cash basis and budgetary laws of the State of Kansas.
9. FAA agreement for Non-Primary entitlement fund transfer.
10. Approval of the 2019 Audit engagement letter with Varney & Associates.
11. Approval of the 2020 City Board appointments.

Public Comments and Communications

12. Persons who wish to address the City Commission may do so when called upon by the Mayor.

Old and New Business

13. Consider Ordinance 19-3383, an ordinance amending chapter 1, article 1 of the city code of the City of Abilene, Kansas, by amending section 1-104 concerning the Mayor and Vice Mayor for the City of Abilene, Kansas
14. Public hearing on Industrial Revenue Bonds related to the development of the Holiday Inn Express and Suites project.
15. Consider Resolution 011320-2, a resolution of the governing body of the City of Abilene, Kansas determining the advisability of issuing taxable industrial revenue bonds for the purpose of financing the acquisition, construction and equipping of a hotel facility to be located in said city; authorizing execution of related documents.
16. Public hearing on Community Improvement District in the City of Abilene, Kansas.

17. Consider Ordinance 19-3384, an ordinance creating a community improvement district in the City of Abilene, Kansas; authorizing certain projects therein; approving the estimated costs of such projects; containing the legal description and map of the boundaries of the district; levying a community improvement district sales tax; and approving the method of financing the projects.
18. Consider Ordinance 19-3385, an ordinance authorizing the execution of a transient guest tax agreement between the City of Abilene, Kansas and Narayan, Inc., as developer; and authorizing the execution of other documents related thereto.
19. Personnel Executive Session. I move the city commission recess into executive session for __ minutes to discuss a specific non-elected employee's status in relation to the city manager role, based upon the need to discuss personnel matters of non-elected personnel pursuant to K.S.A. 75-4319(b)(1). The open meeting will resume in this room at _____ p.m.
20. Potential Public Action. Public action in relation to city manager position, if any, will follow executive session.

Reports

21. City Manager reports.

Adjournment

22. Consideration of a motion to adjourn the January 13, 2020 City Commission meeting.

Future Meeting Reminders: *(All meetings at Abilene Public Library unless otherwise noted)*

- City Commission Study Session, January 21 at 4 pm (City Bldg)
- City Commission Meeting, January 27 at 4 pm

Abilene City Commission Meeting Minutes
Abilene Public Library – 209 NW Fourth Street
December 9, 2019 @ 4:00 p.m.
Abilene, Kansas

1. Call to Order

2. Roll Call – City Commission Present: Mayor Shafer, Commissioners Casteel, Marshall, Ostermann and Witt.

Staff Present: Interim City Manager Foltz, City Clerk Soukup, City Attorney Martin, Finance Director Rothchild, Communications Coordinator Titus, Convention and Visitors Bureau Director Roller, Police Chief Mohn, Fire Chief Sims, Public Works Director Schrader, City Inspector Steerman, Engineer Consultant Mark Bachamp and City Consultant Kissinger.

3. Pledge of Allegiance

Consent Agenda

4. Agenda Approval for the December 9, 2019 City Commission Meeting
5. Meeting minutes: November 25, 2019 Regular Meeting
6. Approval of the 2020 Cereal Malt Beverage Licenses

Motion by Commissioner Ostermann, seconded by Commissioner Casteel to approve the Consent Agenda as presented. Motion carried unanimously 5-0. Roll call vote: Ostermann Yes, Casteel Yes, Witt Yes, Marshall Yes, Shafer Yes.

Public Comments and Communications

7. Persons who wish to address the City Commission may do so when called upon by the Mayor.

There were no public comments or communications.

Old and New Business

8. Consider Ordinance 19-3380, an Ordinance authorizing and providing for the issuance of general obligation bonds, series 2019-b, of the City of Abilene, Kansas; providing for the levy and collection of an annual tax for the purpose of paying the principal of and interest on

said bonds as they become due; authorizing certain other documents and actions in connection therewith; and making certain covenants with respect thereto.

Finance Director Rothchild presented information regarding the Bond Sale. The low interest rate received was 1.57 % with an overall savings of $98,303.00.

Motion by Commissioner Marshall, seconded by Commissioner Witt to adopt Ordinance No. 19-3380 **AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2019-B, OF THE CITY OF ABILENE, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.** Roll call vote: Marshall Yes, Witt Yes, Casteel Yes, Ostermann Yes, Shafer Yes.

9. Consider Resolution 120919-1, a Resolution prescribing the form and details of and authorizing and directing the sale and delivery of general obligation bonds, series 2019-b, of the City of Abilene, Kansas, previously authorized by ordinance no. 19-3380 of the issuer; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith.

Motion by Commissioner Casteel, seconded by Commissioner Marshall to approve Resolution No. 120919-1 **A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES 2019-B, OF THE CITY OF ABILENE, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 19-3380 OF THE ISSUER; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.** Motion carried unanimously 5-0. Roll call vote: Casteel Yes, Marshall Yes, Ostermann Yes, Witt Yes, Shafer Yes.

10. Consider approval of NE Drainage plan

Dennis Kissinger, City Consultant, spoke regarding the drainage plan.

Duane Schrag, 312 N. Vine spoke regarding his concerns about the city spending funds for the NE Drainage plan, the City at large should not pay for it. He asked that the City Commission consider a solution that will be equitable by all.

Motion by Mayor Shafer, seconded by Commissioner Witt to approve Option A: the project is a City funded, owned, operated and maintained retention pond. Motion carried 4-1. Roll call vote: Shafer Yes, Witt Yes, Casteel Yes, Ostermann Yes, Marshall No.

11. Consider Ordinance 19-3381, an Ordinance amending sections 9-1101, 9-1102, and 9-1112 of the zoning regulations for the City of Abilene, Kansas concerning travel trailer parks and accessory travel trailer parks as conditional uses within C-3, general commercial districts within the City of Abilene, Kansas.

Motion by Commissioner Ostermann, seconded by Commissioner Casteel to adopt Ordinance No. 19-3381**, AN ORDINANCE AMENDING SECTIONS 9-1101, 9-1102, AND 9-1112 OF THE ZONING REGULATIONS FOR THE CITY OF ABILENE, KANSAS CONCERNING TRAVEL TRAILER PARKS AND ACCESSORY TRAVEL TRAILER PARKS AS CONDITIONAL USES WITHIN C-3, GENERAL COMMERCIAL DISTRICTS WITHIN THE CITY OF ABILENE, KANSAS.** Motion carried unanimously 5-0. Roll call vote: Ostermann Yes, Casteel Yes, Marshall Yes. Witt Yes, Shafer Yes.

12. Consider Ordnance 19-3382, an Ordinance granting a conditional use permit to allow for an accessory travel trailer park at 2200 N. Buckeye Avenue, in the City of Abilene, Kansas.

Motion by Commissioner Casteel, seconded by Commissioner Marshall to adopt Ordinance No. 19-3382, **AN ORDINANCE GRANTING A CONDITIONAL USE PERMIT TO ALLOW FOR AN ACCESSORY TRAVEL TRAILER PARK AT 2200 N. BUCKEYE AVENUE, IN THE CITY OF ABILENE, KANSAS.** Motion carried unanimously 5-0. Roll call vote: Casteel Yes, Marshall Yes, Witt Yes, Ostermann Yes, Shafer Yes.

13. Consider Resolution 120919-2, a resolution finding that the structure located at 404 cottage avenue, Abilene, Kansas, is unsafe and dangerous and directing the structure to be repaired or removed and the premises made safe and secure.

City Attorney Martin explained that this is a public hearing to hear evidence on the property.

Mayor Shafer opened the public hearing at 4:39 pm.

Kerry Stratton, 219 W. 24th St. Hutchinson, bought the property and has boarded it up for now and has plans to fix it up to sale it.

City Inspector Steerman presented pictures regarding the condition of the property both inside and outside. No work or clean up has been done to the property since a fire on May 5, 2018. Complaints have been received regarding the property from Thunderstruck, Inc.-405 Cottage Avenue and Robert Kohler – 500 Cottage Ave. Notifications have been sent to the property owner on record with Dickinson County but Mr. Stratton had not filed the deed with the county as current owner of the property until recently. Mr. Stratton was notified November 20, 2019.

Mayor Shafer closed the public hearing at 4:57 pm.

Motion by Commissioner Witt, seconded by Commissioner Casteel to approve Resolution No. 120919-2 **A RESOLUTION FINDING THAT THE STRUCTURE LOCATED AT 404 COTTAGE AVENUE, ABILENE, KANSAS, IS UNSAFE AND DANGEROUS AND DIRECTING THE STRUCTURE TO BE REPAIRED OR REMOVED AND THE PREMISES MADE SAFE AND SECURE extending the time frame for completion of repairs until March 31, 2020.** Motion carried unanimously 5-0. Roll call vote: Witt Yes, Casteel Yes, Marshall Yes, Ostermann Yes, Shafer .

Reports

14. City Manager reports

Finance Director Rothchild gave an update on negotiations with Dickinson County Rural Water II.

An update was given on the 8th Street project.

The VFD project at the Water Treatment Plant is going back out for bids.

The 14th Street to Vine traffic study will be on the January 6th study session agenda.

We are working with Civics Plus on updating the City's website.

Work is being done on the Airport Improvement Plan.

Adjournment

15. Consideration of a motion to adjourn the December 9, 2019 City Commission meeting.

Motion by Commissioner Marshall, seconded by Commissioner Witt to adjourn at 5:07 pm. Motion carried unanimously 5-0. Roll call vote: Marshall Yes, Witt Yes, Casteel Yes, Ostermann Yes, Shafer Yes.

(Seal)

____
Dr. Timothy B Shafer, Mayor

ATTEST:

____
Penny L. Soukup, CMC
City Clerk

RESOLUTION NO. 011320-1

A RESOLUTION AUTHORIZING THE CITY OF ABILENE'S FINANCIAL STATEMENTS FOR FISCAL YEAR 2020 TO BE PREPARED IN COMPLIANCE WITH THE CASH BASIS AND BUDGETARY LAWS OF THE STATE OF KANSAS

WHEREAS, the city of Abilene, Kansas, has determined that the financial statements and financial reports for the year ended December 31, 2020, to be prepared in conformity with the requirements of K.S.A. 75-1120a(a) are not relevant to the requirements of the cash basis and budget laws of this state and are of no significant value to the Abilene City Commissioners or the members of the general public of the City of Abilene, Kansas, and

WHEREAS, there are no revenue bond ordinances or other ordinances or resolutions of the municipality which require financial statements and financial reports to be prepared in conformity with K.S.A 75-1120a(a) for the year ended December 31, 2020.

NOW, THEREFORE BE IT RESOLVED, by the City Commissioners of the City of Abilene, Kansas in regular meeting duly assembled this 13th day of January 2020, that the City Commission of Abilene, Kansas, waives the requirements of K.S.A. 75-1120a(a) as they apply to the City of Abilene, Kansas, for the year ended December 31, 2020.

BE IT FURTHER RESOLVED that the City Commission of the City of Abilene, Kansas, shall cause the financial statements and financial reports of the City of Abilene, to be prepared on the basis of cash receipts and disbursements as adjusted to show compliance with the cash basis and budget laws of this State.

Passed this 13th day of January 2020.

(SEAL)

____

Mayor

ATTEST:

____

Penny L. Soukup, CMC
City Clerk

U.S. Department
of Transportation
Federal Aviation Administration

FAA Form 5100-110, Request for FAA Approval of Agreement for Transfer of Entitlements

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Federal Aviation Administration at: 800 Independence Ave. SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, ASP-110.

Request for FAA Approval of Agreement for Transfer of Entitlements

In accordance with 49 USC § 47117(c)(2),

Name of Transferring Sponsor: City of Abilene

hereby waives receipt of the following amount of funds apportioned to it under 49 USC § 47117(c) for the:

Name of Transferring Airport (and LOCID): Abilene Municipal Airport (K78)

for each fiscal year listed below:

Entitlement Type (Passenger, Cargo or Nonprimary)	Fiscal Year	Amount
Nonprimary	2017	$ 150,000.00
Total		$ 150,000.00

The Federal Aviation Administration has determined that the waived amount will be made available to:

Name of Airport (and LOCID) Receiving Transferred Entitlements:
Tri-City Airport (PPF)

Name of Receiving Airport's Sponsor: City of Parsons

a public use airport in the same state or geographical areas as the transferring airport for eligible projects under 49 USC § 47104(a).

The waiver expires on the earlier of 09/30/2020 (date) or when the availability of apportioned funds lapses under 49 USC § 47117(b).

For the United States of America, Federal Aviation Administration:

Signature: ____

Name:

Title:

Date:

Certification of Transferring Sponsor

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this day of ,

Name of Sponsor: City of Abilene

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: ____

Certificate of Transferring Sponsor's Attorney

I, , acting as Attorney for the Sponsor do hereby certify that in my opinion the Sponsor is empowered to enter into the foregoing Agreement under the laws of the state of . Further, I have examined the foregoing Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said state and 49 USC § 47101, et seq.

Dated at (City, State),

this day of ,

Signature of Sponsor's Attorney: ____

VARNEY
& ASSOCIATES, CPAs, LLC

December 30, 2019

City of Abilene, Kansas
PO Box 519
Abilene, KS 67410

Dear Governing Body Members:

The following represents our understanding of the services we will provide City of Abilene, Kansas (the City). You have requested that we audit the statement of regulatory-basis receipts, expenditures, and unencumbered cash balances of City of Abilene, Kansas (the City), as of December 31, 2019, and for the year then ended and the related notes, which collectively comprise the City's basic financial statement as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on the basic financial statement.

Supplementary information other than RSI will accompany the City's basic financial statement. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statement and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and additional procedures in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). We intend to provide an opinion on the following supplementary information in relation to the basic financial statement as a whole:

- Schedule of expenditures – actual and budget (regulatory basis)
- Schedule of individual fund receipts and expenditures – actual and budget (regulatory basis)

Auditor Responsibilities
We will conduct our audit in accordance with U.S. GAAS and the *Kansas Municipal audit and accounting Guide* (KMAAG). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statement, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statement. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statement and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and KMAAG.

Manhattan, KS 66502
785-537-2202 fax 785-537-1877
http://www.varney.com
1020 Commercial St., Suite A
Emporia, KS 66801

Auditor Responsibilities (Continued

In making our risk assessments, we consider internal control relevant to the City's preparation and fair presentation of the basic financial statement in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statement that we have identified during the audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinion on the basic financial statement is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statement is free of material misstatement, we will perform tests of the City's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

a. For the preparation and fair presentation of the basic financial statement in accordance with KMAAG;
b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a basic financial statement that is free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
c. To provide us with:
    i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statement such as records, documentation, and other matters;
    ii. Additional information that we may request from management for the purpose of the audit; and
    iii. Unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence.
d. For including the auditor's report in any document containing a basic financial statement that indicates that such basic financial statement has been audited by the City's auditor;
e. For identifying and ensuring that the City complies with the laws and regulations applicable to its activities;
f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statement as a whole;
g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
i. For informing us of any known or suspected fraud affecting the City involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
j. For the accuracy and completeness of all information provided.

Management Responsibilities (Continued)
With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statement, or if the supplementary information will not be presented with the audited basic financial statement, to make the audited basic financial statement readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

With respect to any nonattest services we perform, Organization's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities. The nonattest services to be provided are as follows: assistance with financial statement preparation.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Reporting
We will issue a written report upon completion of our audit of the City's basic financial statement. Our report will be addressed to the governing body of the City. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

Other
We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statement and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Provisions of Engagement Administration, Timing and Fees
During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

April G. Swartz, CPA is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Varney & Associates, CPAs, LLC's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees are based on the amount of time required at various levels of responsibility, not to exceed $13,500 for 2019. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the City's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

Provisions of Engagement Administration, Timing and Fees (Continued)
During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statement of which you may become aware during the period from the date of the auditor's report to the date the financial statement is issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the governing body the following significant findings from the audit:

- Our view about the qualitative aspects of the City's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Varney & Associates, CPAs, LLC and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Varney & Associates, CPAs, LLC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the regulators. The regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

With respect to any nonattest services we perform, Organization's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities. Nonattest services include assistance with financial statement preparation.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statement including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Sincerely,

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

Encls. (as noted)

RESPONSE:
This letter correctly sets forth our understanding of City of Abilene, Kansas.

Acknowledged and agreed on behalf of City of Abilene, Kansas by:

Name: ____

Title: ____

2020 Board Appointments

First	Last	Board	Start Date	End Date	Term notes
Rod	Boyd	Planning/Zoning	2020	2023	Three year terms, third
Tony	Whitehair	Tree Board	2020	2013	Three year term, first
Steven	Flynn	Tree Board	2020	2023	Three year term, first
Drew	Snitker	Tree Board	2020	2023	Three year term, second
Bob	Sims	Building Standards	2020	2021	1 year terms
John	Hultgren	Building Standards	2020	2021	1 year terms
Max	Linder	Building Standards	2020	2021	1 year terms
Barry	Griffis	Building Standards	2020	2021	1 year terms
Greg	Hottman	Building Standards	2020	2021	1 year terms
Sarah	Wilson	CVB Board	2020	2023	Three year term, first
Samantha	Kenner	CVB Board	2019	2022	Three year terms, first
Elizabeth	Weese	CVB Board	2020	2023	Three year terms, first
Mukul	Ghosh Hajra	CVB Board	2020	2023	Three year terms, sixth
Kimmy	Phillips	CVB Board	2020	2023	Three year terms, second
Allison	Blake	CVB Board	N/A	N/A	Chamber Rep
Duane	Schrag	Heritage Commission	2020	2023	Three year terms, third
Brenda	Bowers	Heritage Commission	2020	2023	Three Year Term, first
Andrew	Pankratz	Heritage Commission	2020	2023	three year term, first
Audrey	Corbett	Sister City Board	2020	2023	Three year terms, third
Mary	Zey	Sister City Board	2020	2023	Three year terms, first
Andrea	Taylor	Sister City Board	2020	2023	Three year terms, third

Current Vacancies	
Airport Advisory Board	2 openings
Library Board	1 openings
Planning Commission	2 openings

ABILENE KANSAS

ORDINANCE NO. 19-3383

AN ORDINANCE AMENDING CHAPTER 1, ARTICLE 1 OF THE CITY CODE OF THE CITY OF ABILENE, KANSAS, BY AMENDING SECTION 1-104 CONCERNING THE MAYOR AND VICE MAYOR FOR THE CITY OF ABILENE, KANSAS.

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

SECTION ONE. Section 1-104 of the City Code of the City of Abilene, Kansas is hereby amended to read as follows:

> **1-104. Mayor.**
> The City Commissioner receiving the most votes at each November general election shall serve as Vice Mayor during the first year of his or her term in office, commencing on the second Monday in January following the election, and shall serve as Mayor during the second year of his or her term in office. The City Commissioner receiving the second most votes at a general election shall serve as Vice Mayor during the second year of his or her term in office, commencing on the second Monday in the second January following the election, and shall serve as Mayor during the third year of his or her term in office. The Mayor shall preside at all meetings of the City Commission and shall serve as an official head of the city on formal occasions during the term of office. The Vice Mayor shall preside and serve in the absence of the Mayor. In case of a vacancy in the office of a City Commissioner serving as Vice Mayor, the Governing Body shall select a City Commissioner to serve as Vice Mayor.

SECTION TWO. Existing Section 1-104 of the City Code of the City of Abilene, Kansas is hereby repealed.

SECTION THREE. This ordinance shall be in full force and effect from and after its adoption and publication once in the official city newspaper by the following summary:

Ordinance No. _________ Summary

> On January 13, 2020, the City Commission passed Ordinance No. _______. The ordinance amends Chapter 1, Article 1 of the City Code of the City of Abilene, Kansas, by amending section 1-104 concerning the Mayor and Vice Mayor for the City of Abilene, Kansas. A complete copy of the ordinance is available online at www.abilenecityhall.com or in the office of the City Clerk, 419 N. Broadway Street in Abilene, Kansas, free of charge. This summary is certified by the City's legal counsel.

APPROVED AND PASSED by the Governing Body of the City of Abilene, Kansas, this 13th day of January, 2020.

____
Chris Ostermann, Mayor

Attest:

____
Penny L. Soukup, CMC, City Clerk

The publication summary set forth above is certified this 13th day of January, 2020.

____
Aaron O. Martin, City Attorney

Gilmore & Bell, P.C.
01/08/2020

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF ABILENE, KANSAS
HELD ON JANUARY 13, 2020**

The governing body met in regular session at the usual meeting place in the City of Abilene, Kansas on January 13, 2020, at 4:00 p.m., the following members being present and participating, to wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * * * * * * * * * * *

(Other Proceedings)

Among other business, in accordance with a notice published on January 3, 2020, in the ***Abilene Reflector-Chronicle***, a public hearing was held by the governing body relating to the proposed issuance of Taxable Industrial Revenue Bonds (Narayan, Inc.) in the approximate principal amount of $7,500,000 (the "Bonds") and regarding an exemption from ad valorem taxation of property constructed or purchased with the proceeds of such Bonds. All interested persons were afforded an opportunity to present their views on the issuance of the Bonds, the location and nature of the Project to be financed with the proceeds of the Bonds and the exemption from ad valorem taxation. Thereupon, the public hearing was closed.

Thereupon, there was presented a Resolution entitled:

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF ABILENE, KANSAS DETERMINING THE ADVISABILITY OF ISSUING TAXABLE INDUSTRIAL REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A HOTEL FACILITY TO BE LOCATED IN SAID CITY; AUTHORIZING EXECUTION OF RELATED DOCUMENTS.

Thereupon, Councilmember ____________________ moved that said Resolution be adopted. The motion was seconded by Councilmember ____________________. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Aye: ________________________.

Nay: ________________________.

Thereupon, the Mayor declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. ______ and was signed by the Mayor and attested by the Clerk.

* * * * * * * * * * * * * *

(Other Proceedings)

On motion duly made, seconded and carried, the meeting hereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Abilene, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

[SEAL]

____
Clerk

602204.20020\INITIAL PROCEEDINGS

RESOLUTION NO. 011320-2

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF ABILENE, KANSAS DETERMINING THE ADVISABILITY OF ISSUING TAXABLE INDUSTRIAL REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A HOTEL FACILITY TO BE LOCATED IN SAID CITY; AUTHORIZING EXECUTION OF RELATED DOCUMENTS.

WHEREAS, the City of Abilene, Kansas (the "Issuer") desires to promote, stimulate and develop the general economic welfare and prosperity of the City of Abilene, and thereby to further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas; and

WHEREAS, pursuant to the provisions of the Kansas Economic Development Revenue Bond Act, as amended and codified in K.S.A. 12-1740 *et seq.* (the "Act"), the Issuer is authorized to issue revenue bonds for such purposes, and it is hereby found and determined to be advisable and in the interest and for the welfare of the Issuer and its inhabitants that revenue bonds of the Issuer in the approximate principal amount of $7,500,000 be authorized and issued, in one or more series, to provide funds to pay the costs of the acquisition, construction, equipping and furnishing of a hotel facility (the "Project") to be located in the Issuer and to be leased by the Issuer to Narayan, Inc., a Kansas corporation, or another legal entity controlled by the principals of Narayan, Inc. (the "Tenant").

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

Section 1. **Public Purpose**. The governing body of the Issuer hereby finds and determines that the Project will promote, stimulate and develop the general economic welfare and prosperity of the Issuer, and thereby further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas.

Section 2. **Authorization to Acquire Project; Intent to Issue Bonds**. The Issuer is hereby authorized to proceed with the acquisition, construction and equipping of the Project and to issue its revenue bonds, in one or more series, in the approximate principal amount of $7,500,000 (the "Bonds") to pay the costs thereof, subject to satisfaction of the conditions of issuance set forth herein.

Section 3. **Conditions to Issuance of Bonds**. The issuance of the Bonds is subject to: (a) the passage of an ordinance authorizing the issuance of the Bonds; (b) the successful negotiation of a Bond Agreement, Lease or other legal documents necessary to accomplish the issuance of the Bonds, the terms of which shall be in compliance with the Act and mutually satisfactory to the Issuer and the Tenant; (c) the successful negotiation and sale of the Bonds to a purchaser or purchasers yet to be determined (the "Purchaser"), which sale shall be the responsibility of the Tenant and not the Issuer; (d) the receipt of the approving legal opinion of Gilmore & Bell, P.C. ("Bond Counsel") in form acceptable to the Issuer, the Tenant and the Purchaser; (e) the obtaining of all necessary governmental approvals to the issuance of the Bonds; and (f) the commitment to and payment by the Tenant or Purchaser of all expenses relating to the issuance of the Bonds, including, but not limited to: (i) reasonable expenses of the Issuer and the Issuer Attorney; (ii) any reasonable underwriting or placement fees and expenses; (iii) all reasonable legal fees and expenses of Bond Counsel; and (iv) all recording and filing fees, including fees of the Kansas Board of Tax Appeals; and (g) the satisfactory negotiation of an agreement with the Tenant relating to the payment or exemption of all or a portion of property taxes assessed against the Project after issuance of the Bonds.

Section 4. **Property Tax Exemption**. The Issuer hereby determines that pursuant to the provisions of K.S.A. 79-201a *Twenty-Fourth,* the Project, to the extent purchased or constructed with the proceeds of the Bonds, should be exempt from payment of ad valorem property taxes for ten years commencing with the year following the year in which the Bonds are issued, provided proper application is made therefor; provided no exemption may be granted from the ad valorem property tax levied by a school district pursuant to the provisions of K.S.A. 72-53,113, and amendments thereto. In making such determination the governing body of the Issuer has conducted the public hearing and reviewed the analysis of costs and benefits of such exemption required by K.S.A. 12-1749d. The Tenant is responsible for preparing such application and providing the same to the Issuer for its review and submission to the State Board of Tax Appeals. The Issuer reserves the right to negotiate a payment in lieu of taxes so exempted, to be made by the Tenant.

Section 5**. Sales Tax Exemption**. The Governing Body hereby determines that pursuant to the provisions of K.S.A. 79-3601 *et seq*. (the "Sales Tax Act"), particularly 79-3606(b) and (d) and other applicable laws, sales of tangible personal property or services purchased in connection with construction of the Project and financed with proceeds of the Bonds are entitled to exemption from the tax imposed by the Sales Tax Act; provided proper application is made therefore. In the event that the Bonds are not issued for any reason, the Tenant will not be entitled to a sales tax exemption under the terms of the Sales Tax Act and will remit to the State Department of Revenue all sales taxes that were not paid due to reliance on the sales tax exemption certificate granted hereunder.

Section 6. **Reliance by Tenant; Limited Liability of Issuer.** It is contemplated that in order to expedite acquisition of the Project and realization of the benefits to be derived thereby, the Tenant may incur temporary indebtedness or expend its own funds to pay costs of the Project prior to the issuance of the Bonds. Proceeds of Bonds may be used to reimburse the Tenant for such expenditures made not more than 60 days prior to the date this Resolution is adopted. The Bonds herein authorized and all interest thereon shall be paid solely from the revenues to be received by the Issuer from the Project and not from any other fund or source. The Issuer shall not be obligated on such Bonds in any way, except as herein set out. In the event that the Bonds are not issued, the Issuer shall have no liability to the Tenant.

Section 7. **Further Action**. The Clerk is hereby authorized to deliver an executed copy of this Resolution to the Tenant. The Mayor, Clerk and other officials and employees of the Issuer, including the Issuer's counsel 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, including, but not limited to: (a) cooperate with the Tenant in filing an application for a sales tax exemption certificate with the Kansas Department of Revenue with respect to Bond-financed property; (b) execution on behalf of the Issuer of the information statement regarding the proposed issuance of the Bonds to be filed with the State Board of Tax Appeals pursuant to the Act and; (c) cooperate with the Tenant to maintain any *ad valorem* property tax exemption for the Project and related facilities, and execute such documents in connection therewith as are approved by the City Attorney.

Section 8. **Repeal of Resolution No. 121117-4.** The intent of the Issuer set forth in Resolution No. 121117-4 is hereby repealed and replaced by this Resolution.

Section 9. **Effective Date**. This resolution shall become effective upon adoption by the Governing Body.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ADOPTED by the governing body of the City of Abilene, Kansas on January 13, 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 Issuer adopted by the governing body on January 13, 2020, as the same appears of record in my office.

DATED: January 13, 2020.

____
Clerk

602204.20020\INITIAL PROCEEDINGS

(Signature Page to Resolution)

(Published in the ***Abilene Reflector-Chronicle***, January 3, 2020)

NOTICE OF PUBLIC HEARING
AND OF
ISSUANCE OF TAXABLE INDUSTRIAL REVENUE BONDS

Public notice is hereby given that the City Comission of the City of Abilene, Kansas (the "Issuer"), will conduct a public hearing on January 13, 2020 at 4:00 p.m., or as soon thereafter as may be heard, at Abilene Public Library, 209 N.W. Fourth Street, Abilene, Kansas in regard to the issuance by the Issuer of its Taxable Industrial Revenue Bonds (Narayan, Inc.), in the approximate principal amount of $7,500,000 (the "Bonds") and in regard to an exemption from ad valorem taxation of property constructed or purchased with the proceeds of such Bonds. The Bonds are proposed to be issued by the Issuer under authority of K.S.A. 12-1740 *et seq.*, as amended, to pay the costs of the acquisition, construction, equipping and furnishing of a hotel facility located at the southeast corner of Buckeye Avenue and Roller Coaster Road. The Issuer further intends to lease such facility to Narayan, Inc., a Kansas corporation (the "Tenant"). The governing body of the Issuer will not pass an ordinance authorizing the issuance of such revenue bonds until said public hearing has been concluded.

Notice is further given, in accordance with K.S.A. 12-1744e, that the Issuer intends to issue the Bonds and lease the facility to the Tenant as set out above.

A copy of this Notice, together with a copy of the inducement resolution of the Issuer adopted to be considered for adoption on January 13, 2020, indicating the intent of the governing body of the Issuer to issue such Bonds and a report analyzing the costs and benefits of such property tax exemption is on file in the office of the Clerk, or will be as soon as completed, and available for public inspection during normal business hours.

All persons having an interest in this matter will be given an opportunity to be heard at the time and place above specified.

Dated: January 3, 2020

CITY OF ABILENE, KANSAS

Penny L. Soukup, CMC, Clerk

602204.20020\INITIAL PROCEEDINGS

January 3, 2020

Board of Education
Unified School District No. 435
213 N. Broadway
Abilene, Kansas 67410-0639

County Clerk
Board of County Commissioners
Dickinson County Courthouse
109 East 1st Street
Abilene, Kansas 67410

Re: Not to Exceed $7,500,000
City of Abilene, Kansas
Taxable Industrial Revenue Bonds
(Narayan, Inc.)

We have enclosed for your information a Notice of the Public Hearing and Issuance of Industrial Revenue Bonds proposed by the City of Abilene, Kansas pursuant to K.S.A. 12-1749c and K.S.A. 12-1749d, as amended.

Very truly yours,

CITY OF ABILENE, KANSAS

Penny L. Soukup, CMC, Clerk

Enclosure

602204.20020\INITIAL PROCEEDINGS

AFFIDAVIT OF MAILING AND PUBLICATION

I, the undersigned, of lawful age, upon oath or affirmation, hereby declare under the penalties of perjury:

1. I am the duly appointed and acting Clerk of the City of Abilene, Kansas, and I was the duly appointed and acting Clerk at all times referred to in this affidavit.

2. On January 3, 2020, I mailed a letter and attached Notice of Public Hearing addressed as follows:

Board of Education
Unified School District No. 435
213 N. Broadway
Abilene, Kansas 67410-0639

County Clerk
Board of County Commissioners
Dickinson County Courthouse
109 East 1st Street
Abilene, Kansas 67410

The foregoing items were mailed by first-class mail with adequate postage. Each envelope was endorsed with the return address of my office. Copies of the letter and notice mailed are attached to this affidavit.

3. Neither package was returned undelivered.

4. The Notice of Public Hearing mailed as stated above was published once in the *Abilene Reflector-Chronicle*, the official City newspaper, on January 3, 2020, which date was at least seven days prior to the date the public hearing was held. A true copy of the affidavit of publication of the Notice of Hearing is attached to this affidavit.

____
Penny L. Soukup, CMC, Clerk

STATE OF KANSAS)
) SS:
COUNTY OF DICKINSON)

Subscribed and sworn or affirmed before me this _____day of ____________, 2020.

[SEAL] ____
Notary Public

My Appointment Expires: ____
Typed or Printed Name of Notary Public

____

602204.20020\INITIAL PROCEEDINGS

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
CITY OF ABILENE, KANSAS
HELD ON JANUARY 13, 2020**

The governing body met in regular session at the usual meeting place in the City of Abilene, Kansas on January 13, 2020, at 4:00 p.m., the following members being present and participating, to wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * * * * * * * * * * *

(Other Proceedings)

Among other business, in accordance with a notice published on December 2, 2019 and December 9, 2019, in the ***Abilene Reflector-Chronicle***, a public hearing was held by the governing body relating to the creation of a Community Improvement District in the City pursuant to a petition received by the City in accordance with K.S.A. 12-6a26 *et seq.* (the "Act"). The Mayor announced that anyone desiring to be heard in connection with the advisability of creating the proposed Community Improvement District, as described in the published Resolution, would now be heard. After hearing the comments of persons desiring to speak with respect to the above matters, the Mayor adjourned the public hearing.

Thereupon, there was presented an Ordinance entitled:

AN ORDINANCE CREATING A COMMUNITY IMPROVEMENT DISTRICT IN THE CITY OF ABILENE, KANSAS; AUTHORIZING CERTAIN PROJECTS THEREIN; APPROVING THE ESTIMATED COSTS OF SUCH PROJECTS; CONTAINING THE LEGAL DESCRIPTION AND MAP OF THE BOUNDARIES OF THE DISTRICT; LEVYING A COMMUNITY IMPROVEMENT DISTRICT SALES TAX; AND APPROVING THE METHOD OF FINANCING THE PROJECTS.

Thereupon, Commissioner _______________ moved that said Ordinance be passed. The motion was seconded by seconded by Commissioner _______________. Said Ordinance was duly read and considered, and upon being put, the motion for passage was carried by the vote of the governing body, the vote being as follows:

Aye: ______________________.

Nay: ______________________.

* * * * * * * * * * * * * *

(Other Proceedings)

Thereupon, the Ordinance having been passed by majority vote of the members of the governing body, it was given No. ______, was directed to be signed by the Mayor and attested by the City Clerk, and to be published one time in the official City newspaper and recorded with the Dickinson County Register of Deeds.

CERTIFICATE

I certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Abilene, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

[SEAL]

____
City Clerk

(Published in the ***Abilene Reflector-Chronicle*** on January 17, 2020)

ORDINANCE NO. 19-3384

AN ORDINANCE CREATING A COMMUNITY IMPROVEMENT DISTRICT IN THE CITY OF ABILENE, KANSAS; AUTHORIZING CERTAIN PROJECTS THEREIN; APPROVING THE ESTIMATED COSTS OF SUCH PROJECTS; CONTAINING THE LEGAL DESCRIPTION AND MAP OF THE BOUNDARIES OF THE DISTRICT; LEVYING A COMMUNITY IMPROVEMENT DISTRICT SALES TAX; AND APPROVING THE METHOD OF FINANCING THE PROJECTS.

WHEREAS, the governing body of the City of Abilene, Kansas (the "City"), has heretofore received a Petition pursuant to K.S.A. 12-6a26 *et seq.* (the "Act") and adopted Resolution No. 112519-2 of the City, containing the time and place of a public hearing on the advisability of creating a community improvement district (the "District"), the general nature of proposed improvement project within the District (the "Project"), the estimated costs of the Project, the proposed method of financing the Project, the proposed amount of a sales tax within the District, the proposed method of assessment, if any, and a map and legal description of the proposed District; and

WHEREAS, Resolution No. 112519-2 was published twice in the ***Abilene Reflector-Chronicle***, the official City newspaper, on December 2, 2019 and December 9, 2019; and

WHEREAS, the governing body has heretofore conducted a public hearing on advisability of creating the District; and

WHEREAS, the governing body hereby finds and determines it to be advisable to adopt this Ordinance to create the District, authorize the Project therein, approve the estimated costs of such Project, contain the legal description and map of the boundaries of the District, levy a community improvement district sales tax and approve the method of financing the Project, all in accordance with the provisions of the Act.

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

SECTION 1. Creation of Community Improvement District; Legal Description and Map.

The governing body hereby finds and determines that it is advisable to create, in accordance with the provisions of the Act, the District. The legal description of the District is as follows:

A tract of land located in the City of Abilene, Dickinson County, Kansas described as follows:

PARCEL A:

LOT TWO (2) AND LOT FOUR (4), BLOCK ONE (1), FINAL PLAT OF MARTIN ADDITION, A REPLAT OF LOTS ONE (1) AND TWO (2), BLOCK ONE (1), FITZSIMONS ADDITION TO THE CITY OF ABILENE, DICKINSON COUNTY, KANSAS.

PARCEL B:

A PARCEL OF LAND LOCATED IN LOT 2, BLOCK 2, FITZSIMONS ADDITION TO THE CITY OF ABILENE, DICKINSON COUNTY, KANSAS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 2; THENCE ON AN ASSUMED BEARING OF S 89 DEGREES 51'12" W ALONG THE NORTH LINE OF SAID LOT 2 A DISTANCE OF 227.85 FEET TO THE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED; THENCE S 00 DEGREES 08'48" E A DISTANCE OF 403.72 FEET TO A POINT ON THE SOUTH LINE OF SAID LOT 2; THENCE S 89 DEGREES 24'55" W ALONG SAID SOUTH LINE A DISTANCE OF 287.18 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE N 00 DEGREES 07'23" W ALONG THE WEST LINE OF SAID LOT 2 A DISTANCE OF 449.12 FEET TO THE NORTHWEST CORNER OF SAID LOT 2; THENCE ALONG THE NORTH LINE OF SAID LOT 2 ON A CURVE TO THE RIGHT WITH A RADIUS OF 270.00 FEET, A CHORD LENGTH OF 24.90 FEET, A CHORD BEARING OF S 69 DEGREES 37'48" E AND AN ARC LENGTH OF 24.91 FEET; THENCE S 67 DEGREES 33'07" E ALONG SAID NORTH LINE A DISTANCE OF 24.40 FEET; THENCE ALONG SAID NORTH LINE ON A CURVE TO THE LEFT WITH A RADIUS OF 330.00 FEET, A CHORD LENGTH OF 128.68 FEET, A CHORD BEARING OF S 78 DEGREES 53'44" E AND AN ARC LENGTH OF 129.51 FEET; THENCE N 89 DEGREES 51'12" E ALONG SAID NORTH LINE A DISTANCE OF 114.93 FEET TO THE POINT OF BEGINNING.

PARCEL C:

LOT 1, BLOCK 2, FITZSIMONS ADDITION TO THE CITY OF ABILENE, DICKINSON COUNTY, KANSAS.

AND ADJACENT PUBLIC RIGHT-OF-WAY.

A map of the property contained in the District is set forth on ***Schedule I*** attached hereto and incorporated by reference herein.

SECTION 2. **Authorization of Community Improvement District Project; Estimated Costs**.

The governing body hereby authorizes the Project within the District, as more fully described below:

The *estimated* costs of the Project are $7,500,000.

SECTION 3. **Method of Financing**.

(a) The cost of the proposed Project is proposed to be financed by "Pay-as-you-go financing," as defined in the Act, and paid from the fund of the City identified in K.S.A. 12-6a34. It is estimated that the City will pay $1,600,000 to the developer and owner of the Project, or its successor(s) from the proceeds of the Sales Tax.

(b) There will be **no** special assessments levied on property within the boundaries of the District.

SECTION 4. **Levy of Sales Tax.** In order to provide funds to finance the costs of the Project, the levy, in accordance the provisions of the Act, of a community improvement district sales tax within the District, in an amount of 2% on the selling of tangible personal property at retail or rendering or furnishing services within the District (the "Sales Tax"), is authorized and directed. The imposition of the Sales Tax shall begin at such time as is specified in the Development Agreement and as soon as the levy of the Sales Tax is approved by the Kansas Department of Revenue, and shall expire 22 years from the date its collection begins , unless the Sales Tax is terminated prior to such date in accordance with the terms of the Development Agreement. The Sales Tax shall be administered, collected and subject to the provisions of K.S.A. 12-187 *et seq.* The City Clerk, upon adoption of this Ordinance and request by the developer, shall provide a certified copy of the same to the State Director of Taxation pursuant to K.S.A. 12-189.

SECTION 5. The form of the Development Agreement dated as of January 13, 2020 between the City and Narayan, Inc. is approved. The Mayor or member of the City's governing body authorized by law to exercise the powers and duties of the Mayor in the Mayor's absence is further authorized and directed to execute and deliver the Development Agreement on behalf of the City in substantially the form presented for review prior to passage of this Ordinance, with such corrections or amendments as the Mayor or other person lawfully acting in the absence of the Mayor may approve, which approval shall be evidenced by his or her signature. The authorized signatory may sign and deliver all other documents, certificates or instruments as may be necessary or desirable to carry out the purposes and intent of this Ordinance and the Development Agreement. The City Clerk or the Deputy City Clerk of the City is hereby authorized and directed to attest the execution of the Development Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out the intent of this Ordinance under the City's corporate seal.

SECTION 6. Effective Date. This Ordinance shall take effect and be in full force from and after its adoption by the governing body of the City and publication in the official City newspaper.

PASSED by the governing body of the City of Abilene, Kansas, on January 13, 2020, and **SIGNED** by the Mayor.

(Seal)

____
Mayor

ATTEST:

____
City Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of Ordinance No. ____ of the City of Abilene, Kansas adopted by the governing body on January 13, 2020, as the same appears of record in my office, and that it was published in the ***Abilene Reflector-Chronicle*** on January 17, 2020.

DATED: January 17, 2020

____
City Clerk

SCHEDULE I

MAP OF COMMUNITY IMPROVEMENT DISTRICT

602204.20020\CID ORDINANCE

DEVELOPMENT AGREEMENT

between the

CITY OF ABILENE, KANSAS,

and

NARAYAN, INC.

Dated as of January 13, 2020

Relating to the Development of the Holiday Inn Express & Suites Project

DEVELOPMENT AGREEMENT

TABLE OF CONTENTS

ARTICLE VI

DEFAULTS AND REMEDIES

ARTICLE VII

GENERAL PROVISIONS

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "**Agreement**"), is made and entered into as of January 13, 2020 (the "**Effective Date**"), by and between the **CITY OF ABILENE, KANSAS**, a municipal corporation duly organized under the laws of the State of Kansas (the "**City**") and **NARAYAN, INC.,** a Kansas corporation or another entity created by Narayan, Inc. specifically for this development (the "**Developer**") (the Developer and the City are collectively referred to as the "**Parties**" and each a "**Party**").

RECITALS

A. The Developer intends to develop certain tracts of land located in the 100 block of East Lafayette Avenue within the City and more particularly described in ***Exhibit A*** attached hereto (the "**Property**"), including a hotel under a flag meeting or exceeding the City's quality standards as described in Section 3.08(b) herein and consisting of approximately 70 guest rooms, and a minimum of two meeting spaces suitable for accommodating business meetings or events.

B. So long as the Developer remains in full compliance with this Agreement, the City agrees to permit the Project to participate in certain City programs as more particularly set forth in this Agreement, including:

- the issuance of industrial revenue bonds for purposes of a property tax abatement and sales tax exemption;
- the creation of a community improvement district; and
- the rebate of a portion of the transient guest tax generated by the Developer's new hotel to be constructed and operated on a portion of the Property, at the rate of 3.0% of the gross receipts subject to transient guest tax, for a period of 10 years.

C. The purpose and intent of the agreements of the Parties set forth in this Agreement is to provide for substantial and long-lasting improvement of the character of the Property that will contribute to the revitalization, growth and economic development of the City of Abilene.

D. The Parties now desire to enter into this Agreement to formalize the construction and financing of the improvements to the Property for the purposes described herein.

NOW, **THEREFORE**, in consideration of the foregoing and in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions of Words and Terms. Capitalized words used in this Agreement have the meanings set forth in the Recitals to this Agreement or they have the following meanings:

"**Action**" means any suit, action, investigation, claim or proceeding.

"**Affiliate Entity**" means any entity wholly-owned or controlled by either the Developer or its Principals, or any entity which owns or controls Developer or its Principals, or any entity under common control of or by the Developer or its Principals, or under common control by the shareholders or principals of the same.

"**Certificate of Substantial Completion**" means a certificate in substantially the form attached as ***Exhibit C*** hereto furnished by the Developer and approved by the City pursuant to this Agreement upon completion of the Project.

"**Certification of CID Expenditures**" is the form attached as ***Exhibit G***.

"**CID Act**" means K.S.A. § 12-6a26 *et seq*.

"CID District" means a community improvement district encompassing the Property and formed in accordance with the CID Ordinance and the CID Act.

"**CID Eligible Costs**" means, collectively, (i) the actual costs of the CID Improvements, (ii) City Expenses related to the CID District, and (iii) the CID Administrative Fee, all of which must be "costs" of a "project" as defined in the CID Act.

"**CID Improvements**" means that portion of the Project and other improvements within the CID District as described in the CID Petition executed November 14, 2019, the costs of which will be reimbursed to the Developer or its successors and assigns from CID Sales Tax revenues as CID Eligible Costs.

"**CID Policy**" means the policy of the City governing the use of CID within the City, as most recently approved by the Governing Body on October 11, 2016, and as amended from time-to-time thereafter.

"**CID Ordinance**" means Ordinance No. [___] passed by the Governing Body of the City creating the CID District, after receipt of a sufficient Petition from Developer.

"**CID Sales Tax**" means an additional 2.0% sales tax on all taxable sales within the CID District authorized by the CID Act and the CID Ordinance.

"**CID Sales Tax Fund**" means the separate fund to be established by the City for deposit of the CID Sales Tax revenues received from the State and collected within the CID District, and that is used to finance or reimburse the CID Eligible Costs pursuant to the CID Act.

"**CID Sales Tax Revenues**" means annual revenues generated from the CID Sales Tax.

"**CID Term**" means a term commencing on the date the Director of Taxation for the State of Kansas begins collecting the CID Sales Tax within the CID District and expiring on the earlier of (a) the 22nd anniversary of the date of commencement of CID Sales Tax collection; or (b) when all CID Eligible Costs have been paid; or (c) the expiration or earlier termination of this Agreement.

"**City**" means the City of Abilene, Kansas.

"**City Administrative Fee**" means an amount equal to two percent (2%) of the total annual CID Sales Tax Revenues received by the City.

"**City Attorney**" means Aaron O. Martin of the law firm of Clark, Mize & Linville, Chartered, Salina, Kansas.

“**City Building Code**” means the City building codes in effect in the City during construction of the Project.

“**City Engineer**” means the City Engineer of the City, or in the absence of the City Engineer any duly appointed Deputy, Assistant or Acting City Engineer.

“**City Expenses**” means only the actual costs incurred by the City, including all attorney fees and expenses, in creating the CID District and issuing IRBs.

“**City Indemnified Parties**” means City’s Governing Body members, employees, agents and independent contractors and consultants.

“**City Manager**” means the City Manager of the City, or in the absence of the City Manager any duly appointed Deputy, Assistant or Acting City Manager.

“**City Representative**” means the City Manager or his or her designee as evidenced by a written certificate furnished to the Developer containing the specimen signature of such person or persons and signed by the City Manager.

“**Claimant**” shall mean any Party claiming a default in accordance with **Article IV** of this Agreement.

“**Construction Permits**” means all governmental permits and licenses required by applicable law to construct the Project.

“**Developer**” means Narayan, Inc., a Kansas corporation.

“**Developer Minimum Investment**” means $5,000,000.00.

“**Event of Default**” shall have the meaning set forth in **Article VI** of this Agreement.

“**Excusable Delays**” means any delay beyond the reasonable control of the Party affected, caused by damage or destruction by fire or other casualty, earthquake, power failure, strike, shortage of materials, unavailability of labor, delays in construction of nearby public streets, roads, right-of-way, interstate or highway, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or abnormal duration, tornadoes, and any other events or conditions, which shall include but not be limited to any action or inaction of any Party to this Agreement or other governmental body (including any designees of the foregoing) and any litigation interfering with or delaying the construction of all or any portion of the Project in accordance with this Agreement, which in fact prevents the Party so affected from discharging its respective obligations hereunder.

“**Governing Body**” means the Mayor and City Commission of the City.

“**General Contractor**” means the general contractor(s) for the Project to be selected by the Developer.

“**Governmental Approvals**” means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, architectural review or other subdivision, zoning or similar approvals required for the implementation of the Project.

"**Hotel**" means a hotel that meets the Hotel Flag Requirement located on the Property, operated in accordance with this Agreement, and consisting of approximately 70 transient guest rooms and a minimum of two meeting spaces suitable for accommodating business meetings or events.

"**Hotel Flag Requirement**" means an "upper midscale" hotel, as determined by STR, Inc., aka Smith Travel Research, which publishes periodically its "STR Chain Scales-North America and Caribbean" hotel classifications, and including any hotel, such as an independent or small chain hotel, which has not been classified by STR, Inc., but which would be in the "upper midscale" classification if it were to be classified. In the event STR, Inc. no longer publishes the STR Chain Scales-North America and Caribbean scale, a comparable index shall be substituted, and if no comparable index exists, the Hotel Flag Requirement shall be determined by reference to those hotel chains which were formerly identified by STR, Inc. as upper midscale. Examples of brands which currently meet the Hotel Flag Requirement are set forth on ***Exhibit D***.

"**IRB**" or "**IRBs**" means the industrial revenue bonds to be issued pursuant the IRB Act in accordance with the provisions of **Article 4.01** hereof.

"**IRB Act**" means K.S.A. 12-1740 *et seq*., as amended and supplemented.

"Pay-As-You-Go CID Financing" means a method of financing pursuant to K.S.A. 12-6a34, in which the CID Eligible Costs reimbursed from CID Sales Tax are financed without notes or bonds, and the costs are reimbursed as CID Sales Tax is deposited in the CID Sales Tax Fund.

"**Petition**" means the petition for establishment of the CID District submitted by the owners of not less than fifty-five (55%) of the land area contained within the CID District and not less than fifty-five percent (55%) by assessed value of the land area contained within the CID District in accordance with the CID Act and attached hereto as ***Exhibit F***.

"**Principals**" means Ashish Ghosh Hajra, Anjan Ghosh Hajra, Mukul Ghosh Hajra, and any other entities or persons having an ownership or equity position in the Developer or Affiliate Entity.

"**Project**" means the design, engineering, constructing, furnishing, and equipping of the Hotel.

"**Project Approvals**" means all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to operate and maintain the Project.

"Property" means the real property described on ***Exhibit A*** hereto.

"**Resolution of Intent**" means the City's Resolution to issue the IRB substantially in the form set forth on ***Exhibit E*** hereto.

"**Sales Tax Act**" means K.S.A. 79-3601 *et seq*., as amended and supplemented.

"**State**" means the State of Kansas.

"**Term**" means the term of this Agreement commencing on the Effective Date and, unless terminated earlier as provided in this Agreement, expiring on the expiration of the CID Term.

Section 1.02. Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Agreement:

(a) The terms defined in this Article include the plural as well as the singular.

(b) All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles.

(c) All references herein to "generally accepted accounting principles" refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms.

(d) All references in this instrument to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed.

(e) The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

(f) The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations of the City. The City makes the following representations and warranties, which are true and correct on the date hereof, to the best of the City's knowledge:

(a) ***Due Authority***. The City has full constitutional and lawful right, power and authority, under current applicable law, to execute, deliver and perform the terms and obligations of this Agreement, and this Agreement has been duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the City, enforceable in accordance with its terms.

(b) ***No Defaults or Violation of Law***. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which the City is now a party, and do not and will not constitute a default under any of the foregoing.

(c) ***No Litigation***. There is no litigation, proceeding or investigation pending or, to the knowledge of the City, threatened against the City with respect to this Agreement. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the City, threatened against the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the City to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the City of the terms and provisions of this Agreement.

(d) ***Governmental or Corporate Consents***. No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the City of this Agreement.

(e) ***No Default***. No default or Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an Event of Default in any material respect on the part of the City under this Agreement.

Section 2.02. Representations of the Developer. The Developer makes the following representations and warranties, which are true and correct on the date hereof, to the best of the Developer's knowledge:

(a) ***Due Authority***. The Developer has all necessary power and authority to execute, deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Developer, enforceable in accordance with its terms.

(b) ***No Defaults or Violation of Law***. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which the Developer is now a party, and do not and will not constitute a default under any of the foregoing.

(c) ***No Litigation***. No litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Project, the Developer or any officer, director, member or shareholder of the Developer in connection with the Project. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Developer, of the terms and provisions of this Agreement.

(d) ***No Material Change***. (1) The Developer has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Agreement and (2) there has been no material adverse change in the business, financial position, prospects or results of operations of the Developer, which could materially adversely affect the Developer's ability to perform its obligations pursuant to this Agreement from that shown in the financial information provided by the Developer to the City prior to the execution of this Agreement.

(e) ***Governmental or Corporate Consents***. No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution, delivery and performance by the Developer of this Agreement, except that approval of the final plan for the Hotel must be obtained from the hotel brand.

(f) ***No Default***. No default or Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an Event of Default in any material respect on the part of the Developer under this Agreement, or any other material agreement or material instrument to which the Developer is a party or by which the Developer is or may be bound, in connection with the Project.

(g) ***Approvals***. The Developer has received and is in good standing with respect to all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to conduct and to continue to conduct its business as heretofore conducted by it and to own or lease and operate its properties as now owned or leased by it. The Developer has obtained, or reasonably believes it will obtain in due course, all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to acquire, construct, equip, operate and maintain the Project; or reasonably believes that all such certificates, licenses, consents, permits, authorizations or approvals which have not yet been obtained will be obtained in due course.

(h) ***Construction Permits***. All governmental permits and licenses required by applicable law to construct, occupy and operate the Project have been issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Developer reasonably believes, after due inquiry of the appropriate governmental officials, that such permits and licenses will be issued in a timely manner in order to permit the Project to be constructed.

(i) ***Compliance with Laws***. The Developer is in material compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Agreement.

(j) ***Other Disclosures***. The information furnished to the City by the Developer in connection with the matters covered in this Agreement are true and correct and do not contain any untrue statement of any material fact and do not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

(k) ***Contractors***. All contracts with contractors shall warrant that the work performed or material supplied by that contractor to the Project will be free from any defects in materials and workmanship for a period of at least one (1) year from the date of completion, and that such warranty does not restrict or otherwise limit that contractor's obligation to construct the Project in a workmanlike manner and in accordance with this Agreement as it pertains to that contractor's work.

Section 2.03. Conditions to the Effectiveness of this Agreement. Contemporaneously with the execution of this Agreement, and as a precondition to the effectiveness of this Agreement, to the extent they have not already done so, the Developer will submit the following documents to the City:

(a) a copy of the Developer's Articles of Incorporation and a good standing certificate dated within one week of the date of this Agreement, each certified by the Secretary of State of the State of Kansas;

(b) a certified copy of the Bylaws of the Developer;

(c) a list of each member of the Developer and the associated percentage ownership, and if such member is not an individual, the individual owners and percentage ownership of such member;

(d) the Site Plan attached hereto as ***Exhibit B***; and

(e) a legal opinion from counsel to the Developer in form and substance acceptable to the City covering: (i) the due organization of the Developer and the power and authority of the Developer to execute this Agreement, and (ii) the enforceability of this Agreement against the Developer.

Section 2.04. Maintenance of Existence. During the term of this Agreement, the Developer will maintain its legal existence, will continue to be in good standing under the laws of its state of organization, will continue to be qualified to do business in the State of Kansas, and, except as permitted by **Section 7.02** hereof, will not dissolve, consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it.

ARTICLE III

DEVELOPMENT OF THE PROJECT

Section 3.01. Cost of the Project. The Developer shall be solely responsible for and will pay the costs of the Project, subject to the terms of this Agreement governing reimbursement for expenditures of CID Eligible Costs. The Developer will invest at least the Developer Minimum Investment in the Project.

Section 3.02. Design of the Project. The Developer has designed the Project in accordance with all applicable building codes, laws, and regulations (including the Americans With Disabilities Act, the Kansas Act Against Discrimination, and all environmental laws).

Section 3.03. Construction of the Project. The Developer will cause the Project to be engineered and constructed in accordance with the Petition, the Site Plan, the CID Ordinance, this Agreement and all applicable laws and building codes. The Developer will obtain all Governmental Approvals for the Project and the Project will conform to all approved plans for such improvements as provided in this Agreement, applicable building codes, City Ordinances, the CID Policy and all other applicable rules and regulations.

Section 3.04. Construction Permits and Approvals. Before commencement of construction or development of any buildings, structures or other work or improvements, the Developer shall secure or cause to be secured any and all permits and approvals which may be required by the City and any other governmental agency having jurisdiction as to such construction, development or work. Such permits and approvals may be obtained by Developer in phases corresponding to particular stages of construction. The

City shall cooperate with and provide all usual assistance to the Developer in securing these permits and approvals, and shall diligently process, review and consider all such permits and approvals as may be required by law; except provided that the City shall not be required to issue any such permits or approvals for any portion of the Project not in substantial conformance with this Agreement.

Section 3.05. No Waiver. Nothing in this Agreement shall constitute a waiver of the City's right to consider and approve or deny Governmental Approvals pursuant to the City's regulatory authority as provided by City Building Code and applicable State law. The Developer acknowledges that satisfaction of certain conditions contained in this Agreement require the reasonable exercise of the City's discretionary zoning authority by the City's Planning Commission and Governing Body in accordance with the City's zoning, the City Building Code and applicable State law.

Section 3.06. Certificate of Substantial Completion. Promptly after completion of the Project in accordance with the provisions of this Agreement, the Developer will submit a Certificate of Substantial Completion to the City. Substantial Completion means that the Developer or its successor or assigns have been granted a Temporary Certificate of Occupancy by the City for the new Hotel. The Certificate of Substantial Completion will be in substantially the form attached as ***Exhibit C***. The City will, within thirty (30) days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by the City unless, prior to the end of such 30-day period after delivery, the City furnishes the Developer with specific written objections, describing such objections and the measures required to correct such objections in reasonable detail. The City's execution of the Certificate of Substantial Completion will constitute evidence of the satisfaction of the Developer's agreements and covenants to construct the Project.

Section 3.07. Certification of CID Expenditures.

A. Certificate of Expenditures. After the date of the City's approval of the submitted Certificate of Substantial Completion, the Developer shall submit to the City a Certification of CID Expenditures, in the form attached as Exhibit G, for purposes of (i) certifying the amount of Eligible CID Costs for which reimbursement is sought, and (ii) verifying that such costs were actually incurred by the Developer for purposes of completing the CID Improvements. The City reserves the right to require that the Certification of CID Expenditures be accompanied by such bills, contracts, invoices, lien waivers, and other documentation as the City shall reasonably require for purposes of reviewing and approving the Certificate of CID Expenditures, and also reserves the right to have its agents or employees inspect all work and records for which the Certificate of CID Expenditures is submitted.

B. Review and Approval. The City Manager shall have thirty (30) calendar days after receipt of the Certification of CID Expenditures and all supporting documentation to review and respond by written notice to the Developer. If the submitted Certification of CID Expenditures and supporting documentation demonstrates that: (1) the request relates to eligible "costs," as defined in the Act; (2) the work for which payment was made and reimbursement is sought has been completed in accordance with this Agreement; (3) the Developer is not in default under this Agreement; and (4) there is no fraud on the part of the Developer, then the City Manager shall approve the Certification of CID Expenditures and all CID Eligible Costs contained therein shall be eligible for reimbursement from the CID Sales Tax Fund, pursuant to this Agreement. If the City Manager determines that a portion of the expenditures listed within the submitted Certification of CID Expenditures and supporting documentation for said expenditures should not be approved, the City Manager may deny the Certification of CID Expenditures, in part, and shall notify the Developer of such determination in writing, setting forth in detail the basis for the denial for each such expenditure. In the event of a partial denial of the Certification of CID Expenditures, that portion of the submitted expenditures that the City Manager approves shall be immediately eligible for reimbursement from the CID Sales Tax Fund pursuant to the terms of this Agreement. As to that portion of the submitted expenditures the City Manager determines are not eligible for reimbursement, the Developer may appeal such denial to the Governing Body by filing a written request to be heard with the City Clerk within fourteen (14) business days of the receipt of the written denial. The Governing Body shall conduct a hearing within thirty (30) days of receipt of such request and render a decision immediately upon the conclusion of such hearing.

Section 3.08. Operation of Project. The Project shall comply with all applicable building and zoning, health, environmental and safety codes and laws and all other applicable laws, rules and regulations. The Developer shall, at its own expense, secure or cause to be secured any and all permits which may be required by the City and any other governmental agency having jurisdiction for the construction and operation of the Project, including but not limited to obtaining all necessary rental licenses and paying any necessary fees to obtain required permits and licenses. Until such time as construction is commenced, the Developer shall maintain the Property in a good and safe condition, including the boarding of vacant buildings and regular maintenance and removal of vegetation in accordance with commercially reasonable industry standards.

Section 3.09. Hotel Provisions.

(a) ***Opening***. Within six (6) months after acceptance by the City of a Certificate of Substantial Completion, the Hotel will be opened on the Property. The Hotel will be operated on the Property until December 31, 2030.

(b) ***Hotel Flag***. The Hotel will meet the Hotel Flag Requirement until December 31, 2030. Examples of brands which currently meet the Hotel Flag Requirement are set forth on ***Exhibit D***.

Section 3.10. Payment of Taxes. The Developer represents and warrants to the City that the Developer or any Affiliate Entity will pay or cause to be paid, at the times prescribed by State law, all ad valorem property taxes properly levied against the Project and the Property owned by Developer or any Affiliate Entity. Nothing in this Section 3.09 shall in any way limit Developer's or an Affiliate Entity's right to protest property taxes levied against the Project or the Property and to delay payment of such taxes until the dispute reaches a resolution.

ARTICLE IV

CITY PROGRAMS

Section 4.01. Industrial Revenue Bonds.

(a) The City declares an intent to issue, pursuant to the IRB Act, industrial revenue bonds, in one or more series, in an aggregate principal amount not to exceed $7,500,000 (or such other not-to-exceed amount mutually agreed upon by the City and the Developer) to finance the Project, subject to satisfaction of the conditions set forth in this **Section 4.01**.

(b) Pursuant to the provisions of the Sales Tax Act, particularly 79-3606(b) and (d) and other applicable laws, sales of tangible personal property or services purchased in connection with construction of the Project and financed with proceeds of the IRB's are entitled to exemption from the tax imposed by the Sales Tax Act; provided proper application is made therefore. The

City will apply to the State Department of Revenue for a sales tax exemption certificate after adoption of the Resolution of Intent. Prior to obtaining the sales tax exemption certificate, the Developer and the City will sign a Revenue Bond Agreement as required by the State Department of Revenue.

(c) Pursuant to the provisions of K.S.A. 79-201a *Twenty-Fourth*, the Project, to the extent purchased or constructed with the proceeds of the Bonds, shall be exempt from payment of ad valorem property taxes for ten years commencing with the year following the year in which the Bonds are issued, provided proper application is made therefor; provided no exemption may be granted from the ad valorem property tax levied by a school district pursuant to the provisions of K.S.A. 72-53,113, and amendments thereto.

(d) The issuance of the IRB is subject to the satisfaction of the following:

(i) the Developer's substantial compliance with the terms of this Agreement;

(ii) the successful negotiation and sale of the IRBs to a purchaser, which shall be either Developer or a financial institution determined by the Developer and acceptable to the City (the "Purchaser"), which sale shall be the responsibility of the Developer and not the City;

(iii) the receipt of the approving legal opinion of Gilmore & Bell, P.C., as Bond Counsel, in form acceptable to the City, the Developer and the Purchaser;

(iv) the obtaining of all necessary Governmental Approvals to the issuance of the IRBs; and

(v) the commitment to and payment by the Developer or Purchaser of all expenses relating to the issuance of the IRBs, including, but not limited to: (1) expenses of the City and the City Attorney; (2) any placement fees and expenses; (3) all legal fees and expenses of Bond Counsel; and (4) all recording, filing fees and other expenses required by the IRB Act.

Section 4.02. CID.

(a) The City agrees that the CID Eligible Costs shall be reimbursed to the Developer, pursuant to the terms and conditions of this Agreement, with revenues received from the imposition of a CID Sales Tax of two percent (2%) on the sale of tangible personal property at retail or rendering or furnishing services which are taxable pursuant to the Kansas Retailers' Sales Tax Act (K.S.A. 79-3601, *et seq.*, as amended) within the CID District.

(b) Within twenty (20) days of the City's receipt of a written request from the Developer to do so, the City shall notify the state director of taxation to commence the collection and reporting of the CID Sales Tax within the CID District at the same time and in the same manner as provided for the collection of the state retailers' sales tax. Funds collected from the CID Sales Tax prior to the approval of the Certificate of Expenditures shall be held by the City in the CID Sales Tax Fund until such funds are eligible for distribution pursuant to the terms of this Agreement.

(c) During the existence of the CID District, all CID Sales Taxes generated within the District shall be deposited into the CID Sales Tax Fund, which shall be established and administered by the City in compliance with the Act and this Agreement. Interest earnings shall remain in the CID Sales Tax Fund and shall be treated in the same manner as CID Sales Tax Revenues for purposes of this Agreement.

(d) The proceeds from the CID Sales Tax shall be disbursed by the City to the Developer on a monthly basis, and within thirty (30) days of the City's receipt of the CID Sales Tax Revenues from the state treasurer, to reimburse Developer for CID Eligible Costs, if and to the extent that: (i) the term of the CID Sales Tax collection period has not yet expired (except that CID Sales Tax Revenues produced prior to expiration of the term of the CID Sales Tax collection period shall be reimbursed to Developer regardless of whether such term has expired); (ii) there are CID Sales Tax Revenues in the CID Sales Tax Fund; and (iii) the Developer is not in default under this Agreement and/or this Agreement has not been terminated.

(e) The Developer understands and agrees that all reimbursements to the Developer hereunder shall be made only from Pay-As-You-Go CID Financing, and nothing in this Agreement shall in any way obligate the City to issue bonds or other obligations to reimburse the Developer for the CID Eligible Costs or any other costs of the Project.

(f) The City shall be entitled to withdraw and receive from the CID Sales Tax Fund the CID Administrative Fee. The CID Administrative Fee shall be used to cover the administration and other City costs during the Term. The CID Administrative Fee may be paid monthly from the CID Sales Tax Revenues deposited in the CID Sales Tax Fund and shall have first priority to available funds in the CID Sales Tax Fund.

Section 4.03. Transient Guest Tax Rebate.

(a) Pursuant to K.S.A. 12-1696, *et seq*., the City may impose a transient guest tax (the "Guest Tax") on the gross rental receipts on hotel, motel or tourist court facilities located in the City. The City has heretofore determined that the availability of the new Hotel within the City of Abilene, and the two meeting rooms within the Hotel, will promote conventions and tourism.

(b) As an additional incentive to the Company to construct and operate the Project, the City agrees to rebate to Developer a portion of the Guest Tax generated by Developer's new Hotel equal to three percent (3%) of the gross receipts collected by Developer for the Hotel to which the Guest Tax applies, for a period of 10 years, subject to the terms and conditions as set forth in a Transient Guest Tax Rebate Agreement in substantially the form set forth in ***Exhibit H*** hereto.

ARTICLE V

INDEMNITY; INSURANCE

Section 5.01. Indemnification of City.

(a) Developer agrees to indemnify and hold the City and the City Indemnified Parties harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, judgments, costs and/or expenses, including court costs and reasonable attorneys' fees (collectively, "Liabilities"), resulting from, arising out of, or in any way connected with the Developer's actions and undertaking in implementation of the Project or this Agreement.

It is understood that the duty of the Developer to indemnify or hold harmless as described in this Section 5.01 includes the duty to defend. This indemnification and hold harmless clause shall apply whether or not insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

This **Section 5.01** will not apply to: (i) Liabilities to the extent resulting from or arising out of the intentional acts or negligence of the City or its officers, agents, or employees or the City Indemnified Parties, or (ii) suits between the City (or any one or more of the City Indemnified Parties) and the Developer, or (iii) Liabilities arising out of occurrences in the public right of way, except to the extent that such Liabilities arise from the intentional acts or negligence of the Developer or its officers, agents, employees, or independent contractors. This **Section 5.01** includes, but is not limited to, any repair, cleanup, remediation, detoxification, or preparation and implementation of any removal, remediation, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes including petroleum and its fractions as defined in (i) the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"; 42 U.S.C. Section 9601, *et seq*.), (ii) the Resource Conservation and Recovery Act ("RCRA"; 42 U.S.C. Section 6901 *et seq*.) and (iii) Article 34, Chapter 65, K.S.A. and all amendments thereto, upon any real property Developer or an Affiliate Entity owns within the CID District. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of CERCLA to assure, protect, hold harmless and indemnify the City and the City Indemnified Parties from liability.

(b) In the event any Action is begun or made as a result of which the Developer or City may become obligated to one or more of the City Indemnified Parties hereunder, any one of the City Indemnified Parties will give prompt notice to the Developer of the occurrence of such event.

(c) The rights to indemnification set forth in this Agreement will survive the expiration or earlier termination of this Agreement with respect to liability that arose during the term of this Agreement.

Section 5.02. Insurance.

(a) Developer will carry, or cause the General Contractor to carry, the following insurance coverage insuring Developer, General Contractor, and City as specified below through final completion (as defined in the construction contracts):

(i) Special or builder's "all risk" insurance (including theft, vandalism, boiler, and pressure vessel coverage), in an amount reasonably acceptable to the Developer, insuring Developer's interests in the Project and any and all furniture, equipment, supplies and other property owned, leased, held or possessed by Developer for the Project (insurance shall also insure against loss from collapse of any part of the building or other structural failure during construction);

(ii) Comprehensive general liability insurance insuring Developer and City against all liability for injury to or death of a person or persons and for damage to property in any way occasioned by or arising out of the activities of Developer, City, and their respective agents, contractors, or employees, in connection with the design and construction of the Project, in the amount of not less than $500,000 or in such other amounts as may be reasonably acceptable to Developer and the City, provided, however, such policies will not name the City, or insure the City, for an amount of coverage in excess of the City's maximum liability pursuant to the Kansas Tort Claims Act and amendments (and any similar law limiting the liability of the City);

(iii) Workers' compensation insurance;

(iv) Automobile insurance (if applicable) with per occurrence limits of not less than $500,000, or comparable Hired and Non-owned coverage included in General Liability; and

(v) All other insurance required by law.

(b) The following general requirements apply to all insurance coverage carried by Developer and General Contractor pursuant to **Section 5.02(a)**:

(i) To the extent available, each policy will contain a clause whereby the insurer waives all rights of subrogation against General Contractor, Developer, and City, as the case may be;

(ii) Subject to the limitations on builder's risk coverage in **Section 5.02(a)(i)** and on general liability insurance in **Section 5.02(a)(ii)**, the City will be named as its interests appear in all policies obtained by Developer and General Contractor;

(iii) Such policies will be with reputable insurance companies reasonably acceptable to Developer, City, and General Contractor and licensed to do business in Kansas;

(iv) Developer will provide the City Representative with policies or certificates of insurance evidencing such coverage prior to the start of construction;

(v) Within thirty (30) days prior to expiration of coverage, or as soon as practicable, renewal policies or certificates of insurance evidencing renewal and payment of premium will be provided by Developer to the City Representative; and

(vi) The policies must be non-cancelable unless the carrier provides to the City Representative thirty (30) days' prior written notice of cancellation.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01. Defaults – General. Subject to the extensions of time set forth in **Section 6.07** below, failure or delay by any Party to perform any material term or provision of this Agreement, after receiving written notice thereof and failing to cure, as set forth in **Section 6.02** below, constitutes an **"Event of Default"** under this Agreement. The Claimant will give written notice of default to the defaulting Party, specifying the nature of the default.

Section 6.02. Default Proceedings. The Claimant will not institute proceedings against a defaulting Party, nor be entitled to damages if the defaulting Party within thirty (30) days from receipt of the written notice of default set forth in **Section 6.01**, commences with due diligence to cure, correct or remedy such failure or delay and completes such cure, correction or remedy within sixty (60) days from the date of receipt of such notice; or if such cure, correction or remedy by its nature cannot be effected within such sixty (60) day period, such cure, correction or remedy is diligently and continuously prosecuted until completion thereof.

Section 6.03. Remedies on Default.

(a) Whenever any Event of Default by the City occurs and is continuing, subject to applicable notice and cure periods, the only remedy that may be sought from the City is strictly limited to specific performance of this Agreement by the City.

(b) Whenever any Event of Default by the Developer occurs and is continuing prior to completion of the Project, subject to applicable notice and cure periods, the City may (1) pursue any remedy at law and in equity, except as provided below, and except for specific performance of this Agreement and/or (2) retain CID Sales Tax to apply to monetary defaults, and/or (3) terminate the CID Sales Tax, and/or (4) terminate this Agreement. Whenever any Event of Default by the Developer occurs and is continuing after completion of the Project, subject to applicable notice and cure periods, the City may, as its sole remedy, withhold CID Sales Tax reimbursements until the default is cured. Notwithstanding anything in this Agreement to the contrary, after completion of the Project, the City may not withhold CID Sales Tax reimbursement for a failure to meet the Hotel Flag Requirement.

(c) Notwithstanding any other provision of this Agreement to the contrary, in no event will the Developer or the City ever be liable for any punitive, special, incidental, or consequential damages in connection with this Agreement, or otherwise. For the purposes of this ***Section 6.03(c)***, consequential damages include, but are not limited to, lost profits, lost tax revenue, or other similar losses which are not direct out-of-pocket costs incurred by any non-defaulting Party.

(d) If a Party has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Party seeking to enforce the right or remedy, then and in every case the Parties will, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the Parties will continue as though no such proceeding had been instituted.

Section 6.04. Legal Actions.

(a) ***Institution of Legal Actions***. Any legal actions related to or arising out of this Agreement must be instituted in the District Court of Dickinson County, Kansas or, if federal jurisdiction exists, in the Federal District Court in the District of Kansas.

(b) ***Applicable Law***. The laws of the State of Kansas govern the interpretation and enforcement of this Agreement.

(c) ***Acceptance of Service of Process***.

(i) In the event that any legal action is commenced by the Developer against the City, service of process on the City will be made by personal service upon the City Clerk or in such other manner as may be provided by law.

(ii) In the event that any legal action is commenced by the City against the Developer, service of process on the Developer will be made by personal service upon an officer or agent of the Developer and will be valid whether made within or without the State or in such other manner as may be provided by law. In the event the Developer no longer has an officer or registered agent to serve, the Secretary of State is hereby irrevocably appointed to accept service for the Developer.

Section 6.05. Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by a Party of one or more of such rights or remedies will not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

Section 6.06. Inaction Not a Waiver of Default. Any failures or delays by a Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive such Party of its right to institute and maintain any action or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies. No waiver made by a Party will apply to obligations beyond those expressly waived.

Section 6.07. Enforced Delay; Extension of Times of Performance.

(a) In addition to specific provisions of this Agreement, performance by a Party hereunder will not be deemed to be in default, and all performance and other dates specified in this Agreement will be extended, where the Party seeking the extension has acted diligently and delays or defaults are due to default of the other Party or Excusable Delays.

(b) Times of performance under this Agreement may also be extended in writing by the mutual agreement of the City and the Developer.

ARTICLE VII

GENERAL PROVISIONS

Section 7.01. Amendment. This Agreement, and any exhibits attached hereto, may be amended only by the mutual consent of the Parties, and by the execution of said amendment by the Parties or their successors in interest. Except for amendments to extension of performance times and amendments to the scope and description of the Project, which may be approved and executed on behalf of the City by the City

Representative, each amendment must be approved by resolution adopted by the Governing Body. If any provision, covenant, agreement or portion of this Agreement, or its application to any person, entity or property, is held invalid, the Parties will take such reasonable measures including, but not limited to, reasonable amendment of this Agreement to cure such invalidity where the invalidity contradicts the clear intent of the Parties in entering into this Agreement.

Section 7.02. Assignment. The Developer or an Affiliate Entity may at any time, with prior written notice to the City but without the need for approval from the City: (a) assign, transfer and convey all or substantially all of the Developer's rights and duties under this Agreement to an Affiliate Entity or the Developer; (b) make a collateral assignment of its rights under this Agreement to a single financial institution as security for a financing of the Project; and/or (c) sell, transfer and convey all or any portion of the Project, and the underlying real property, comprising the Project to an Affiliate Entity or the Developer. Prior to the delivery and acceptance by the City of a Certificate of Substantial Completion for the Project, the Developer may, with prior written notice to the City and written approval of the City Representative: (i) assign, transfer and convey all or substantially all of Developer's rights and duties under this Agreement with respect to the Project to a third party; and/or (ii) sell, transfer and convey all or any portion of the Project, and the underlying real property, comprising the Project. After the delivery and acceptance by the City of a Certificate of Substantial Completion for the Project, the Developer may, with prior written notice to the City but without the need for approval of the City: (x) assign, transfer and convey all or substantially all of Developer's rights and duties under this Agreement to a third party; and/or (y) sell, transfer and convey all or any portion of the Project, and the underlying real property. Any decision to consent or refuse consent to an assignment pursuant to this **Section 7.02** requiring City consent will be solely at the discretion of the City Representative or the Governing Body, as the case may be. Nothing herein will be construed to delegate rights or responsibilities of the City under this Agreement, including without limitation the determination of eligible project costs for reimbursement. Any assignment of the Developer's rights under this Agreement may include the right to reimbursement from CID Sales Tax Revenues. With respect to any assignments which occur after the delivery and acceptance by the City of a Certificate of Substantial Completion, the City hereby agrees to waive the requirements of the CID Policy that any assignment of the right to receive CID Revenues shall require the consent of the City. Notwithstanding the foregoing or anything in this Agreement to the contrary, there shall be no restriction on, and City approval shall not be required for: (1) the leasing of the Project (or any portion thereof) to tenants, (2) the forming by Developer of additional development or ownership entities to replace or joint venture with Developer for the purpose of business and/or income tax planning, or (3) transfer of the rights, duties, and underlying real property associated with portions of the CID District not located upon Parcel 0211120901001001010 upon which the Project is to be constructed.

Section 7.03. Right to Inspect. The Developer agrees that the City, with reasonable advance notice and during normal business hours, will have the right and authority to review, inspect, audit, and copy, from time to time, all of the Developer's books and records relating to the CID Eligible Costs as pertinent to the purposes of this Agreement.

Section 7.04. Right of Access. For the purposes of assuring compliance with this Agreement, the City Representative will have the right of access to the Project, without charges or fees, with reasonable advance notice and during normal business hours for purposes related to this Agreement, including, but not limited to, the inspection of the work being performed in constructing or reconstructing of the Project.

Section 7.05. No Other Agreement. The Parties agree that the Project will be implemented as agreed in this Agreement and as set forth in the CID Policy. This Agreement specifies the rights, duties and obligations of the City and Developer with respect to constructing or reconstructing the Project and the payment of CID Eligible Costs. Nothing in this Agreement will be deemed an amendment of the CID

Policy unless specifically exempted herein or by subsequent action by the Governing Body. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.

Section 7.06. Severability. If any provision, covenant, agreement or portion of this Agreement, or its application to any person, entity or property, is held invalid or unenforceable in whole or in part, this Agreement will be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision or provisions, or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable. In no such event will the validity or enforceability of the remaining valid portions hereof be affected.

Section 7.07. Notice. All notices and requests required or desired to be given pursuant to this Agreement will be in writing and will be sent as follows:

To the Developer: Narayan, Inc.
Attn: Ashish K. Ghosh Hajra and
Anjan Ghosh Hajra
2369 Georgetown Road
Salina, KS 67401
Email: ashish.ghosh@i3dplus.com
anjan.ghosh@i3dplus.com

with a copy to: Polsinelli PC
Attn: Robert C. Johnson
900 W. 48th Place, Suite 900
Kansas City, Missouri 64112
Email: rjohnson@polsinelli.com

To the City: City of Abilene
Attn: City Manager
419 N. Broadway
Abilene, Kansas 67410
Email: jane@abilenecityhall.com

With a copy to the City Attorney:
Clark, Mize & Linville, Chartered
Attn: Aaron O. Martin
129 S. Eighth
P. O. Box 380
Salina, KS 67402-0380
Email: aomartin@cml-law.com

or at such other addresses as the Parties may indicate in writing to the other either by email, personal delivery, national overnight courier service, or by certified or registered mail, postage prepaid, return receipt requested, with proof of delivery thereof. Emailed notices will be deemed effective: (a) when sent, if followed by transmittal by national overnight courier or hand delivery on the next business day; or (b) upon recipient's acknowledgment of receipt. Mailed notices sent via certified or registered mail, postage prepaid, return receipt requested, with proof of delivery thereof, will be deemed effective on the third day after mailing; mailed notices sent via national overnight courier service will be deemed effective on the next business day after they are sent; all other notices will be effective when delivered.

Section 7.08. Counterparts. This Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same agreement. Hand signatures transmitted via portable document format (PDF) or similar format are also permitted as binding signatures to this Agreement.

Section 7.09. Consent or Approval. Except as otherwise provided in this Agreement, whenever consent or approval of either Party is required, such consent or approval will not be unreasonably withheld.

Section 7.10. Survival of Indemnity. Notwithstanding the termination of this Agreement, the Developer's obligations set out in **Article V** will survive the expiration or earlier termination of this Agreement to the extent that any incident giving rise to a claim, suit, judgment or demand occurred during the Term hereof.

Section 7.11. Incorporation of Exhibits. The exhibits attached hereto and incorporated herein by reference are a part of this Agreement to the same extent as if fully set forth herein.

Section 7.12. Mutual Assistance. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be reasonably necessary or appropriate to carry out the terms, provisions and intent of this Agreement and to reasonably aid and assist each other in carrying out said terms, provisions and intent.

Section 7.13. No Partnership. Nothing contained herein will be construed as creating a partnership between the Parties.

Section 7.14. Time of Essence. Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

Section 7.15. Conflicts of Interest.

(a) No member of the Governing Body or of any branch of the City's government that has any power of review or approval of any of the Developer's undertakings will participate in any decisions relating thereto which affect such person's personal interest or the interests of any corporation or partnership in which such person is directly or indirectly interested. Any person having such interest will immediately, upon knowledge of such possible conflict, disclose, in writing, to the City the nature of such interest and seek a determination with respect to such interest by the City and, in the meantime, will not participate in any actions or discussions relating to the activities herein proscribed.

(b) The Developer warrants that it has not paid or given and will not pay or give any officer, employee or agent of the City any money or other consideration for obtaining this Agreement. The Developer further represents that, to its best knowledge and belief, no officer, employee or agent of the City who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision making process or gain insider information with regard to the Project, has or will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.

Section 7.16. Required Disclosures. The Developer will immediately notify the City of the occurrence of any material event which would cause any of the information furnished to the City by the Developer in connection with the matters covered in this Agreement to contain any untrue statement of any material fact or to omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

Section 7.17. Tax Implications. The Developer acknowledges and represents that (1) neither the City nor any of its officials, employees, consultants, attorneys or other agents has provided to the Developer any advice regarding the federal or State income tax implications or consequences of this Agreement and the transactions contemplated hereby, and (2) the Developer is relying solely upon its own tax advisors in this regard.

Section 7.18. Authorized Parties. Whenever under the provisions of this Agreement and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the Parties are required, or the Parties are required to agree or to take some action at the request of the other Party, such approval or such consent or such request shall be given for the City, unless otherwise provided herein, by the City Representative and for the Developer by any officer of Developer so authorized; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither Party shall have any complaint against the other as a result of any such action taken. The City Representative may seek the advice, consent or approval of the Governing Body before providing any supplemental agreement, request, demand, approval, notice or consent for the City pursuant to this **Section 7.18**.

Section 7.19. Electronic Transactions. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 7.20. Cash Basis and Budget Laws. The Parties acknowledge and agree that the ability of the City to enter into and perform certain financial obligations pursuant to this Agreement are subject to the K.S.A. 10-1101 *et seq*. and K.S.A. 79-2935 *et seq*.

Section 7.21. Effective Date. This Agreement is effective upon execution and compliance with the requirements of ***Section 2.03*** hereof (the “Effective Date”).

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, the City and the Developer has duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

CITY OF ABILENE, KANSAS

By:____________________________________

_________________, Mayor

(SEAL)

ATTEST:

____

Penny Soukup, CMC, City Clerk

STATE OF KANSAS)
) ss.
COUNTY OF DICKINSON)

On this ____ day of January, 2020, before me personally appeared _________________, personally known, who being by me duly sworn did say that he/she is the Mayor of the City of Abilene, Kansas, and that said instrument was signed and delivered on behalf of said municipal corporation and acknowledged to me that he/she executed the same as the free act and deed of said municipal corporation.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

____

Notary Public

[SEAL]

(City Signature Page to Development Agreement)

71690861.2

NARAYAN, INC.

By:_____________________________________

STATE OF __________)
) ss.
COUNTY OF _________)

On this ____ day of January, 2020, before me personally appeared _________________, to me personally known, who being by me duly sworn did say that he is the ________________ of Narayan, Inc., and that said instrument was signed and delivered on behalf of said corporation and acknowledged to me that he executed the same as the free act and deed of said corporation.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

____
Notary Public

[SEAL]

(Developer's Signature Page to Development Agreement)

EXHIBIT A

LEGAL DESCRIPTION AND MAP OF PROPERTY

PARCEL A:

LOT TWO (2) AND LOT FOUR (4), BLOCK ONE (1), FINAL PLAT OF MARTIN ADDITION, A REPLAT OF LOTS ONE (1) AND TWO (2), BLOCK ONE (1), FITZSIMONS ADDITION TO THE CITY OF ABILENE, DICKINSON COUNTY, KANSAS.

PARCEL B:

A PARCEL OF LAND LOCATED IN LOT 2, BLOCK 2, FITZSIMONS ADDITION TO THE CITY OF ABILENE, DICKINSON COUNTY, KANSAS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 2; THENCE ON AN ASSUMED BEARING OF S 89 DEGREES 51'12" W ALONG THE NORTH LINE OF SAID LOT 2 A DISTANCE OF 227.85 FEET TO THE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED; THENCE S 00 DEGREES 08'48" E A DISTANCE OF 403.72 FEET TO A POINT ON THE SOUTH LINE OF SAID LOT 2; THENCE S 89 DEGREES 24'55" W ALONG SAID SOUTH LINE A DISTANCE OF 287.18 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE N 00 DEGREES 07'23" W ALONG THE WEST LINE OF SAID LOT 2 A DISTANCE OF 449.12 FEET TO THE NORTHWEST CORNER OF SAID LOT 2; THENCE ALONG THE NORTH LINE OF SAID LOT 2 ON A CURVE TO THE RIGHT WITH A RADIUS OF 270.00 FEET, A CHORD LENGTH OF 24.90 FEET, A CHORD BEARING OF S 69 DEGREES 37'48" E AND AN ARC LENGTH OF 24.91 FEET; THENCE S 67 DEGREES 33'07" E ALONG SAID NORTH LINE A DISTANCE OF 24.40 FEET; THENCE ALONG SAID NORTH LINE ON A CURVE TO THE LEFT WITH A RADIUS OF 330.00 FEET, A CHORD LENGTH OF 128.68 FEET, A CHORD BEARING OF S 78 DEGREES 53'44" E AND AN ARC LENGTH OF 129.51 FEET; THENCE N 89 DEGREES 51'12" E ALONG SAID NORTH LINE A DISTANCE OF 114.93 FEET TO THE POINT OF BEGINNING.

PARCEL C:

LOT 1, BLOCK 2, FITZSIMONS ADDITION TO THE CITY OF ABILENE, DICKINSON COUNTY, KANSAS.

AND ADJACENT PUBLIC RIGHT-OF-WAY.

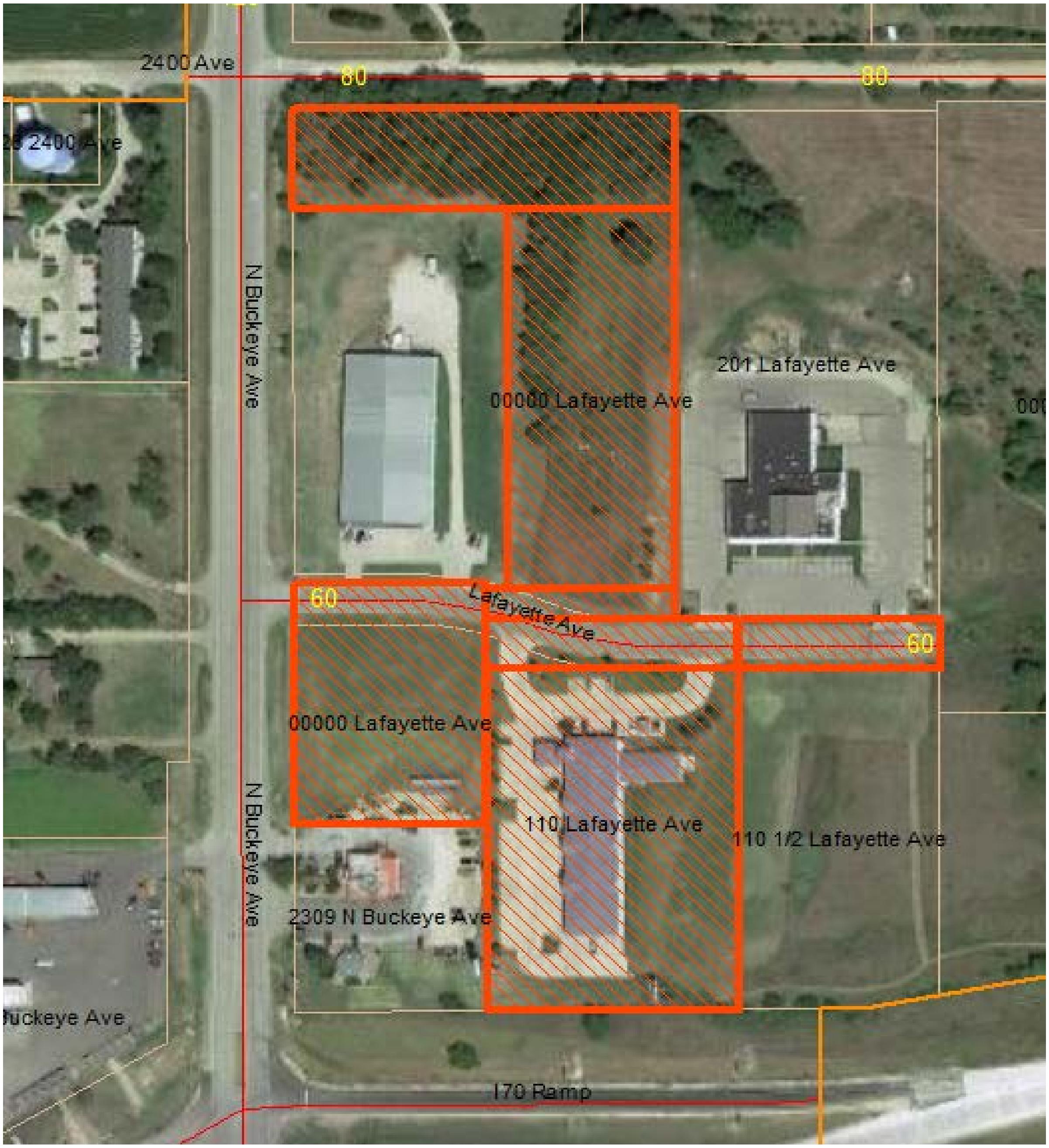

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EXHIBIT B

SITE PLAN AND ELEVATIONS

EXHIBIT C

CERTIFICATE OF SUBSTANTIAL COMPLETION

The undersigned, Narayan, Inc. (the "**Developer**"), pursuant to that certain Development Agreement dated as of [_________], between the City of Abilene, Kansas (the "**City**") and the Developer (the "**Agreement**"), hereby certifies to the City as follows:

1. That as of ____________, 20___, the construction, renovation, repairing, and equipping of the Project (as such term is defined in the Agreement) has been substantially completed in accordance with the Agreement, including but not limited to the completion of [__] hotel rooms and a flag meeting the requirements of the City and all milestones and deadlines contained in the Project Schedule have been met.

2. The Project has been completed in a good and workmanlike manner and contains all components of the Project required by or described in the Agreement. A Temporary Certificate of Occupancy has been obtained for the Project.

3. This Certificate of Substantial Completion is accompanied by the project architect's certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as **Appendix A** and by this reference incorporated herein, certifying that the Project has been substantially completed in accordance with the Agreement.

4. This Certificate of Substantial Completion is being issued by the Developer to the City in accordance with the Agreement to evidence the Developer's satisfaction of all obligations and covenants with respect to the Project.

5. The City's acceptance (below) or the City's failure to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate to the City (which written objection, if any, must be delivered to the Developer prior to the end of such 30-day period) shall evidence the satisfaction of the Developer's agreements and covenants to construct the Project.

This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

[Remainder of page intentionally blank.]

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this _____ day of ____________, _____.

NARAYAN, INC.

By:______________________________________

Name:____________________________________

Title:_____________________________________

ACCEPTED:

CITY OF ABILENE, KANSAS

By:__________________________________

Name: _______________________________

Title: ________________________________

EXHIBIT D

HOTEL FLAG REQUIREMENT
EXAMPLES AS OF EFFECTIVE DATE

STR Upper Midscale Brands

Best Western Plus
Clarion
Comfort Inn & Suites
Country Inn & Suites
Drury Inn & Suites
Fairfield Inn
Hampton Inn
Holiday Inn
Holiday Inn Express
Home2Suites
Towneplace Suites
Wyndham Garden

EXHIBIT E

FORM OF IRB RESOLUTION OF INTENT

EXHIBIT F

CID PETITION AND CID DISTRICT
LEGAL DESCRIPTION AND BOUNDARY MAP

EXHIBIT G

CID CERTIFICATION OF EXPENDITURES

CERTIFICATION OF CID EXPENDITURES

Request No. ____________ Date:_______________

Pursuant to the Development Agreement (the "**Agreement**") for the Holiday Inn Express Project between the City of Abilene, Kansas and the undersigned (the "**Developer**"), the Developer requests reimbursement and hereby states and certifies as follows:

1. The date and number of this request are as set forth above.

2. All terms in this request shall have and are used with the meanings specified in the Agreement.

3. The names of the persons, firms or corporations to whom the payments have been made and reimbursement is hereby requested, the amounts to be reimbursed and the general classification and description of the costs for which each obligation requested to be reimbursed hereby was incurred are as set forth on **Attachment I** hereto.

4. These costs have been incurred and are reasonable costs that are reimbursable under the Agreement.

5. Each item listed above has not been previously reimbursed from the CID Sales Tax Fund and no part thereof has been included in any other Certification of CID Expenditures, or other disbursement request previously filed with the City.

NARAYAN, INC.

By: ______________________________
Title: ______________________________

Approved this ____ day of ________, 20__

CITY OF ABILENE

By: ______________________________
City Representative

ATTACHMENT I
TO CERTIFICATION OF CID EXPENDITURES

REQUEST NO. _____ DATED_________

SCHEDULE OF PAYMENTS REQUESTED

Person, firm or corporation to whom payment was made	Amount to be reimbursed	General classification and description of the costs for which the Obligation to be reimbursed was incurred

[supporting documents attached]

EXHIBIT H

FORM OF TRANSIENT GUEST TAX REBATE AGREEMENT

Gilmore & Bell, P.C.
12/23/2020

EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF ABILENE, KANSAS
HELD ON JANUARY 13, 2020

The City Commission (the "Governing Body") met in regular session at the usual meeting place in the City, at 4:00 p.m., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * * * * * * * * * * *

Thereupon, there was presented an Ordinance entitled:

AN ORDINANCE AUTHORIZING THE EXECUTION OF A TRANSIENT GUEST TAX AGREEMENT BETWEEN THE CITY OF ABILENE, KANSAS AND NARAYAN, INC., AS DEVELOPER; AND AUTHORIZING THE EXECUTION OF OTHER DOCUMENTS RELATED THERETO.

Thereupon, Commissioner ________________ moved that the Ordinance be passed. The motion was seconded by Commissioner ________________. The Ordinance was duly read and considered, and upon being put, the motion for the passage of said Ordinance was carried by the vote of the Governing Body as follows:

Aye: ____________________

Nay: ____________________

* * * * * * * * * * * * * *
(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the Governing Body of the City of Abilene, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

____
Penny Soukup, City Clerk

ORDINANCE NO. 19-3385

AN ORDINANCE AUTHORIZING THE EXECUTION OF A TRANSIENT GUEST TAX AGREEMENT BETWEEN THE CITY OF ABILENE, KANSAS AND NARAYAN, INC., AS DEVELOPER; AND AUTHORIZING THE EXECUTION OF OTHER DOCUMENTS RELATED THERETO.

WHEREAS, the City of Abilene, Kansas (the "City") is a municipal corporation duly organized and validly existing under the laws of the State of Kansas as a city of the second class; and

WHEREAS, the City and Narayan, Inc., a Kansas corporation (the "Developer") have negotiated the terms of a Development Agreement, dated as of January 13, 2020 relating to the construction, furnishing and equipping of a new hotel facility (the "Project") to be located in the City; and

WHEREAS, to facilitate the construction of the Project, the City and the Developer have also negotiated a Transient Guest Tax Agreement, under which the City will agree to rebate a portion of the transient guest tax collected at the Project equal to three percent (3%) of the gross receipts collected by Developer at the Project for a period of 10 years; and

WHEREAS, the construction of the Project will stimulate and foster economic development in the City and its environs in order to enhance and provide for the general and economic development and welfare of the City and its citizens; and

WHEREAS, pursuant to the Constitution, particularly Article 12, Section 5 thereof, and statutes of the State of Kansas, particularly of K.S.A. 12-101 *et seq.*, as amended (collectively, the "Home Rule Act"), the Governing Body hereby finds and determines that it is necessary and desirable and in the interest and for the general economic welfare of the City and its inhabitants, that the City enter into the Transient Guest Tax Agreement; and

WHEREAS, the Governing Body hereby further finds and determines that it is necessary and advisable and in the interest of the public health, safety and welfare, including economic development, of the City, to authorize by home rule ordinance the execution of the Transient Guest Tax Agreement.

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

Section 1. Economic Development. The Governing Body hereby finds and determines that the Project will stimulate and foster economic development in the City and its environs in order to enhance and provide for the general and economic development and welfare of the City and its citizens.

Section 2. Transient Guest Tax Agreement. The Transient Guest Tax Agreement is hereby approved in substantially the form presented to the Governing Body. The Mayor or Vice Mayor of the City is hereby authorized and directed to execute the Transient Guest Tax Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, with such alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which as may be approved by the City Manager and as are approved as to form by the City Attorney, and the execution or taking of such actions shall be conclusive evidence of such necessity or advisability. The City Clerk or any Deputy City Clerk is hereby authorized to attest to and affix the seal of the City to the Transient Guest Tax Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 3. Further Authority. The City shall, and the officers, employees and agents of the City, including Gilmore & Bell, P.C., the City's bond counsel, are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments, as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Transient Guest Tax Agreement.

Section 4. Effective Date. This Ordinance shall take effect and be in force from and after its passage and publication of a summary thereof one time in the official City newspaper.

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PASSED by not less than two-thirds vote of the City Commission of the City of Abilene, Kansas, on January 13, 2020.

(SEAL)

____

__________________, Mayor

ATTEST:

____

Penny Soukup, City Clerk

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CERTIFICATE

I, the undersigned, hereby certify that the above and foregoing is a true and correct copy of the original Ordinance No. ______ (the "Ordinance") of the City of Abilene, Kansas (the "City"); that said Ordinance was passed by the City Commission on January 13, 2020; that a Summary of the Ordinance was published in the official newspaper of the City on January 17, 2020; and that the Ordinance has not been modified, amended or repealed and is in full force and effect as of this date.

DATED: January 13, 2020.

____
Penny Soukup, City Clerk

(Signature Page to Home Rule Ordinance Certificate)

(Published in ***The Abilene Reflector-Chronicle*** on January 17, 2020)

SUMMARY OF ORDINANCE NO. _________

On January 13, 2020, the City Commission of the City of Abilene, Kansas (the "City") passed an ordinance entitled:

AN ORDINANCE AUTHORIZING THE EXECUTION OF A TRANSIENT GUEST TAX AGREEMENT BETWEEN THE CITY OF ABILENE, KANSAS AND NARAYAN, INC., AS DEVELOPER; AND AUTHORIZING THE EXECUTION OF OTHER DOCUMENTS RELATED THERETO.

The Ordinance authorizes the execution of a Transient Guest Tax Agreement between the City and Narayan, Inc., a Kansas corporation, duly qualified to do business in the State of Kansas (collectively, the "Developer") relating to the City's rebate of a portion of the transient guest tax collected at the new hotel facility to be located in the City. A complete text of the Ordinance may be obtained or viewed free of charge at the office of the City Clerk, City Hall, 419 North Broadway Ave., Abilene, Kansas 67410. A reproduction of the Ordinance is available for not less than 7 days following the publication date of this Summary at www.abilenecityhall.com.

This Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: January 13, 2020.

____
Aaron O. Martin, City Attorney

Polsinelli
1/7/2020

TRANSIENT GUEST TAX AGREEMENT

THIS AGREEMENT, entered into as of January 13, 2020, between the **City of Abilene, Kansas** (the "City") and **Narayan, Inc.,** a Kansas corporation (the "Company");

RECITALS:

1. Project. The Company has proposed to construct a new hotel within the City, which hotel shall be under a flag meeting or exceeding the City's quality standards as described in Section 3.08(b) of the Development Agreement and consisting of approximately 70 guest rooms and a minimum of two meeting spaces suitable for accommodating business meetings or events (the "**Project**").

2. Development Agreement. The City and the Company have executed an agreement for the construction of the Project within the City (the "Development Agreement"). Subject to the terms of the Development Agreement, the City agrees to permit the Company to participate in certain City programs, including:

- the issuance of industrial revenue bonds for purposes of a property tax abatement and sales tax exemption;
- the creation of a community improvement district; and
- the rebate of a portion of the transient guest taxes collected from the Project, for a period of 10 years.

2. Transient Guest Tax. Pursuant to K.S.A. 12-1696, *et seq*., the City may impose a transient guest tax (the "Guest Tax") on the gross rental receipts on hotel, motel or tourist court facilities located in the City. The City has heretofore determined that the availability of the new hotel within the City, and the two meeting rooms within the hotel, will promote conventions and tourism.

3. Guest Tax Rebate. As an additional incentive to the Company to construct and operate the Project, the City agrees to rebate a portion of the Guest Tax collected from the Company's new hotel to be constructed as part of the Project, subject to the terms and conditions and in the manner provided for in this Agreement.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

Section. 1 The Project. The Company agrees to construct, complete, and operate the Project in accordance with the Development Agreement.

Section 2. Reporting and Remitting Guest Taxes. The Company is obligated to report and remit the Guest Tax collected on the hotels located in the City pursuant to the provisions of K.S.A. 12-1698, as amended. The Company shall also convey to the City a copy of each report submitted to the Kansas Department of Revenue ("**DOR**"). In the event the Company fails to remit the Guest Tax when due, penalties and/or interest may be assessed against the Company by DOR at its sole discretion, in accordance with applicable state laws relating to late tax payments. In addition, if the Company fails to remit any Guest Tax when due and such failure shall continue for one year after such due date (the "Payment Anniversary"), this Agreement shall be deemed terminated effective as of the Payment Anniversary, and Company agrees that from and after such termination date, it shall not be entitled to any further rebates of the Guest Tax; provided, however, that this Agreement shall not be terminated in any event until the Company has received written

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notice of the failure to remit Guest Tax and failed to cure upon the terms set forth in Section 4 of this Agreement.

Section 3. Amount of Rebate. Subject to the terms of this Agreement, the City agrees to rebate to the Company a portion of the Guest Tax actually collected and paid to DOR on the Project. The rebate shall be in an amount equal to three percent (3%) of the gross receipts to which the Guest Tax applies, to the extent such gross receipts are generated from the new hotel included in the Project, less a percentage of any administrative fees charged by DOR equal to the portion of the Transient Guest Tax rebated to the Company, divided by the total Transient Guest Tax received by the City from DOR. The rebate shall commence with the first quarterly distribution of Guest Tax received by the City from the DOR after the Project becomes operational and will cease 10 years from commencement of the rebate.

Section 4. Conditions to Rebate. In order to continue to qualify for the rebate of the Guest Tax during the term of this Agreement: (a) the Project must be constructed in substantial compliance with the specifications set forth in the Development Agreement; (b) after opening for business to the general public, the Project must be operated as a hotel that meets or exceeds the flag requirements established by the Development Agreement, until December 31, 2030; (c) the Company shall not be in default in its obligations with respect to this Agreement, the Development Agreement, and any obligations to the City set forth herein or therein; and (d) the Company shall apply all rebate payments to the promotion of convention and tourism as required by K.S.A. 12-1698, as amended, including, without limitation, the payment of marketing fees, marketing expenses and commission and franchise fees to derive room revenues. In the event the Company fails to comply with any of the conditions set forth in this *Section 4* prior to completion of the Project and such failure shall continue for 90 days after written notice of such default has been provided by the City to the Company, the City may (1) pursue any remedy at law and in equity, except as provided below, and except for specific performance of this Agreement and/or (2) retain Transient Guest Tax revenues to apply to monetary defaults, and/or (3) terminate the Transient Guest Tax, and/or (4) terminate this Agreement; provided, however, that the City shall not institute proceedings against the Company, nor be entitled to damages if the Company within thirty (30) days from receipt of the written notice of default, commences with due diligence to cure, correct or remedy such failure or delay and completes such cure, correction or remedy within ninety (90) days from the date of receipt of such notice; or if such cure, correction or remedy by its nature cannot be effected within such ninety (90) day period, such cure, correction or remedy is diligently and continuously prosecuted until completion thereof. In the event the Company fails to comply with any of the conditions set forth in this *Section 4* after completion of the Project and such failure shall continue for 90 days after written notice of such default has been provided by the City to the Company, the City may withhold all Transient Guest Tax rebates until the default is cured, and the Company shall not be entitled to a rebate of any Guest Tax generated during the period that commences on the 91st day after written notice of default and ends on the date that the default is cured (the "Default Period"); provided however, that the Company, at the time default is cured, shall be entitled to rebate of any Guest Tax rebates generated during the Default Period if the Company within thirty (30) days from receipt of the written notice of default, commences with due diligence to cure, correct or remedy such failure or delay and completes such cure, correction or remedy within ninety (90) days from the date of receipt of such notice; or if such cure, correction or remedy by its nature cannot be effected within such ninety (90) day period, such cure, correction or remedy is diligently and continuously prosecuted until completion thereof. The Parties acknowledge and agree that the ability of the City to enter into and perform certain financial obligations pursuant to this Agreement are subject to the K.S.A. 10-1101 *et seq*. and K.S.A. 79-2935 *et seq*.

Commented [1]: Aaron – I think the addition here doesn't make sense. There is no obligation to operate under the Hotel Flag Requirement prior to the completion of the Hotel.

Section 5. Timing of Rebate. The amount to be paid pursuant to *Section 3* above shall be paid within thirty (30) days after receipt by the City of Guest Tax payments from DOR.

Section 6. Cooperation with Abilene CVB. The Company shall at all times collaborate and cooperate with the Abilene Convention and Visitors Bureau (CVB) in developing programs, projects, and joint efforts with an aim toward promoting the City of Abilene's tourism, attractions, and events, consistent with the Company's letter to the Abilene City Manager, dated September 20, 2019.

Section 7. Maintenance of Books and Records. The Company agrees to separately account for the collection of rebate amounts and disbursements therefrom in order to facilitate the examination of books and records. The City shall have the right (but shall not be required) at any reasonable time and upon reasonable notice to the Company to have access to the Project and to the Company's books and records on the Project to the extent that such books and records pertain to the requirements of this Agreement, including the rebate amounts paid to Company under this Agreement.

Section 8. Counterparts. This Agreement may be executed simultaneously and several counterparts, each of which shall be deemed to be an original and all of which shall constitute the same instrument.

Section 9. Transferability. Assignment and transfer of the Company's rights and duties under this Agreement shall be governed by Section 7.02 of the Development Agreement.

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IN WITNESS WHEREOF, the City has caused this Agreement to be signed by a duly authorized official, such signature to be attested by a duly authorized officer and its official seal to be applied, and the Company has caused this Agreement to be signed on its behalf by a duly authorized, as of the day and year first above written.

CITY OF ABILENE, KANSAS

By:___________________________________
Mayor

[SEAL]

ATTEST:

____
Penny Soukup, CMC, City Clerk

NARAYAN, INC.

By: ________________________________
Name: ______________________________
Title: _______________________________

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CITY OF ABILENE

*Check Summary Register©

Batch: 011320PAY

	Name	Check Date	Check Amt	
002000	**Astra Bank checking**			
29038	AAKC	1/13/2020	$35.00	2020 DUES
29039	ABILENE AREA CHAMBER COM	1/13/2020	$100.00	2020 MEMBERSHIP
29040	ASCAP	1/13/2020	$363.00	2020 MUSIC LICENSE FEE
29041	CENTRAL BROCHURE DISTRIBU	1/13/2020	$500.00	DISTRIBUTION SERVICES
29042	CITYCODE FINANCIAL LLC	1/13/2020	$1,250.00	2020 ANNUAL FEE WEBSITE CODE UPDAT
29043	COMMUNITY FIRST NATIONAL B	1/13/2020	$72,996.77	2019 FIRE TRUCK PAYMENT
29044	CORE & MAIN	1/13/2020	$11,139.70	2020 MAINT. FEES
29045	CULLIGAN OF SALINA	1/13/2020	$30.00	JAN 2020 R.O. SYSTEM RENTAL
29046	DK CTY EDC	1/13/2020	$10,000.00	2020 PLEDGE YEAR 3 OF 5
29047	DK CTY PUBLIC RECORD	1/13/2020	$230.00	2020 SUBSCRIPTION
29048	EAGLE BROADBAND, INC	1/13/2020	$399.95	JAN 2020 ADMIN & PD EBS
29049	EAGLE TECHNOLOGY SOLUTIO	1/13/2020	$1,838.53	JAN BACKUP, BDR,BC/OFFICE 365/AV-PM
29050	GOVERNMENT FINANCE OFFICE	1/13/2020	$170.00	GFOA MEMBERSHIP
29051	HAMM INC	1/13/2020	$1,770.39	WASHED ROAD ROCK
29052	IMAGE QUEST	1/13/2020	$77.00	CONTRACT BASE PRINTERS
29053	KACM	1/13/2020	$50.00	2020 MEMBERSHIP
29054	KS MUNICIPAL INSURANCE TR	1/13/2020	$93,967.00	2020 WORKERS' COMPENSATION INSURA
29055	K-STATE RESEARCH & EXTENSI	1/13/2020	$48.00	SOIL TEST FOR CAKE APPLICATION
29056	LINK MEDIA OUTDOOR	1/13/2020	$2,005.00	BILLBOARD RENTAL 2020 - 6 BOARDS
29057	LUMBER HOUSE TRUE VALUE	1/13/2020	$481.50	MARKING PAINT
29058	LYNNS CUSTOM CLEANING	1/13/2020	$125.00	WINDOW WASHING
29059	M O C I C	1/13/2020	$150.00	2020 ANNUAL MEMBERSHIP APD
29060	NORTH CENTRAL REGIONAL	1/13/2020	$500.00	ANNUAL NCRPC MEMBERSHIP
29061	PICK ONE HOUR CLEANERS	1/13/2020	$10.50	COAT CLEANED
29062	RAINBOW FIREWORKS INC	1/13/2020	$5,975.00	DOWN PAYMENT 2020 FIREWORKS
29063	RODRIGUEZ, KRISTY	1/13/2020	$150.00	VB TOURNEY REFUND
29064	RYAN & MULLIN, PA	1/13/2020	$2,916.67	CITY PROSECUTOR JAN 2020
29065	SNAP	1/13/2020	$1,500.00	SAFE NIGHT AFTER PROM 2020
29066	STOUT, BECKY	1/13/2020	$150.00	VB TOURNEY REFUND
29067	SUPERIOR SANITATION SERVIC	1/13/2020	$410.00	JAN 2020 TRASH SERVICE @ CVB, RECYCL
29068	TRAVEL INDUSTRY ASSOC. OF	1/13/2020	$600.00	TIAK 2020 DUES
29069	US BANK EQUIPMENT FINANCE	1/13/2020	$235.68	MONTHLY CONTRACT COPIER
29070	UTILITY SERVICE CO, INC	1/13/2020	$25,370.04	1ST QTR WATER TOWER MAINT
		Total Checks	$235,544.73	

FILTER: (([Act Year]='2020' and [period] in (1))) and (Source in ('011320PAY'))

CITY OF ABILENE

*Check Summary Register©

Batch: 122319PAY

	Name	Check Date	Check Amt	
002000	**Astra Bank checking**			
28877	ABILENE & SMOKY VALLEY RR	12/23/2019	$735.00	3 SANTA TRAINS
28878	ABILENE FLYING SERVICE	12/23/2019	$1,240.00	LABOR TO INSTALL RUBBER ON T-HANGA
28879	ABILENE MUNICIPAL COURT	12/23/2019	$750.00	RAINEE GARZA 19-0214 BOND APPLY
28880	ABILENE REFLECTOR-CHRONIC	12/23/2019	$99.00	YEARLY SUBSCRIPTION
28881	ABILENE TERMITE & PEST CO	12/23/2019	$220.00	CC PEST CONTROL
28882	AMERICAN ELECTRIC CO	12/23/2019	$53.76	CC LED LIGHTS
28883	APAC, INC - SHEARS	12/23/2019	$3,948.50	HMA FOR STREET REPAIR
28884	BRYANT & BRYANT CONST, INC	12/23/2019	$27,336.29	IN HOUSE DESIGN CONCRETE PAVING PR
28885	CARROLL ENGINEERING CORP.	12/23/2019	$1,220.00	DEC 2019 MUNILOGIC FEE
28886	CINTAS	12/23/2019	$24.01	1ST AID SUPPLIES
28887	COTTONWOOD LAW GROUP, LC	12/23/2019	$500.00	HOOLEHAN 19-0397, 19-0396
28888	D S & O RURAL ELECTRIC COOP	12/23/2019	$186.79	ELECTRIC SERVICE @ LIGHT STOVR, COR
28889	DANKO EMERGENCY EQUIPME	12/23/2019	$5,366.63	5' STEEL ROOF HOOK W/GAS SHUTOFF
28890	DK CTY SHERIFF	12/23/2019	$1,155.00	NOV 2019 PRISONER CARE
28891	DON'S TIRE & SUPPLY	12/23/2019	$18.00	#85 FLAT REPAIR
28892	EAGLE TECHNOLOGY SOLUTIO	12/23/2019	$2,384.78	IT WORK - ADMIN & FIRE
28893	ELK'S CLUB	12/23/2019	$1,768.52	CHRISTMAS PARTY MEAL & GRATUITY
28894	EVERGY	12/23/2019	$45,914.30	ELECTRIC SERVICE
28895	FOLEY EQUIPMENT COMPANY	12/23/2019	$44.30	HOSE FOR #924 LOADER
28896	FOLTZ JANE	12/23/2019	$106.72	MILEAGE OCT/NOV/DEC 2019
28897	FOUR SEASONS INC	12/23/2019	$629.45	BANDSHELL FURNACE MAINT
28898	GARZA, RAINEE	12/23/2019	$75.00	RAINEE GARZA 19-0214 BOND RETURN
28899	HACH COMPANY	12/23/2019	$2,163.65	LAB SUPPLIES @ WTP
28900	HAMM INC	12/23/2019	$2,265.72	AB-3 FOR STREET REPAIRS
28901	HOLM AUTOMOTIVE CENTER	12/23/2019	$230.96	#91 OIL COOLER LINE
28902	IMAGE QUEST	12/23/2019	$60.16	COPIER USAGE
28903	JERRY MILLER ELECTRONICS	12/23/2019	$325.00	AWOS DEC 2019
28904	JOYCELYN LUCAS RANDLE LAW	12/23/2019	$500.00	BUCKLEY 19-0444, COOK 19-0215
28905	KISSINGER, DENNIS	12/23/2019	$2,259.65	CONTRACT/MILEAGE/LODGING DEC 2019 F
28906	KOKYO TAIKO	12/23/2019	$600.00	ABILENE/OMITAMA FRIENDSHIP FESTIVAL
28907	KS TREASURER	12/23/2019	$4,869.56	NOV 2019 JBEF, LETCF, MCCSFF
28908	LAST CHANCE GRAPHICS	12/23/2019	$333.28	EMBROIDER SERVICE ON DRISCOLL CLOT
28909	LEAGUE KS MUNICIPALITIES	12/23/2019	$3,605.52	2020 MEMBERSHIP DUES
28910	LUMBER HOUSE TRUE VALUE	12/23/2019	$374.99	GIFT CARD FOR CHRISTMAS PARTY
28911	MIDLAND GIS SOLUTIONS, LLC	12/23/2019	$9,039.00	SANITARY SEWER SYSTEM GPS DATA CO
28912	MILLER, PHYLLIS	12/23/2019	$40.00	CC RENTAL REFUND
28913	NEOPOST USA INC	12/23/2019	$138.00	POSTAGE MACHINE/METER/MAINT RENTA
28914	NOZZTEQ	12/23/2019	$740.00	JET NOZZLE FOR SEWER TRUCK
28915	O.C.C.K., INC	12/23/2019	$6,166.67	NOV 2019 SERVICE
28916	OCCUPATIONAL PERFORMANC	12/23/2019	$345.00	UA E CUP/DOT DRUG SCREEN/BREATH AL
28917	OLSSON	12/23/2019	$15,491.68	STORM DRAINAGE, 14TH ST & NW 8TH ST
28918	OPTIV SECURITY INC.	12/23/2019	$50.84	KBI TOKEN
28919	PACE ANALYTICAL SERVICES	12/23/2019	$790.80	EFFLUENT SAMPLES
28920	PHILLIPS PINEWOOD MULCH, IN	12/23/2019	$3,710.00	PLAYGROUND MULCH
28921	PIPER JAFFARY & CO.	12/23/2019	$22,500.00	GO BONDS, SERIES 2019B- ADVISORY & P
28922	POLO, MISTY	12/23/2019	$90.00	REFUND FOR SANTA TRAIN
28923	PRAIRIE FIRE COFFEE	12/23/2019	$45.90	WWTP COFFEE
28924	R E PEDROTTI CO, INC	12/23/2019	$1,432.51	TROUBLESHOOTING TELEMETRY FOR WE
28925	RANKIN, JERRY	12/23/2019	$76.35	JAPAN CLUB PARTY @ EISENHOWER SCH
28926	RICOS QUALITY PAINTING	12/23/2019	$510.00	PAINT MATERIALS
28927	ROASTER JOES, INC	12/23/2019	$338.20	COFFEE
28928	ROLLER-WEEKS, JULIE	12/23/2019	$193.36	MILEAGE TO KSNT TOPEKA
28929	SALINA SUPPLY CO	12/23/2019	$684.26	SETTERS & COMPRESSION FITTINGS
28930	SAMS CLUB/GECF	12/23/2019	$87.00	CLASS CLEANER, BATTERIES, VINEGAR, L

CITY OF ABILENE

*Check Summary Register©

Batch: 122319PAY

	Name	Check Date	Check Amt	
28931	SCHERBERT, JOAN	12/23/2019	$30.00	CC RENTAL REFUND
28932	SCHLEGEL, MELISSA	12/23/2019	$30.00	REFUND FOR SANTA TRAIN
28933	SUPERIOR SANITATION SERVIC	12/23/2019	$170.00	TRASH SERVICE @ CC, SC & PARK
28934	THE FLOWER BOX	12/23/2019	$34.85	FLOWERS FOR HAWK FUNERAL
28935	THOMAS OUTDOOR ADVERTISI	12/23/2019	$104.00	K15 VINYL
28936	TRUE BUILT, LLC	12/23/2019	$100.00	CC - CUT LAMINATE COUNTERTOP
28937	UNIFIRST CORPORATION	12/23/2019	$2,231.61	UNIFORM SERVICE
28938	US BANK EQUIPMENT FINANCE	12/23/2019	$562.47	COPIER LEASE 11/25-12/25/19
28939	US POST OFFICE-POSTMASTER	12/23/2019	$1,259.53	REGULAR BILLING JAN 2020
28940	VAN DIEST CHEMICAL CO	12/23/2019	$2,479.59	WEED CONTROL CHEMICALS
28941	VANDERBILTS NO. 4, INC	12/23/2019	$439.98	BOOTS - GD/KEVIN C/ANDY
28942	VERIZON WIRELESS	12/23/2019	$1,602.55	CELL PHONE SERVICE
28943	VISA - UMB ADMINISTRATION	12/23/2019	$1,639.27	PRINTING & ADS
28944	VISA - UMB AIRPORT	12/23/2019	$626.20	TELEPHONE/INTERET
28945	VISA - UMB COMMUNITY DEVEL	12/23/2019	$170.26	BUILDING MAINT
28946	VISA - UMB CVB	12/23/2019	$614.31	JANITOR SUPPLIES
28947	VISA - UMB FIRE DEPT	12/23/2019	$1,656.42	EQUIP REP & MAINT
28948	VISA - UMB MUNICIPAL COURT	12/23/2019	$262.35	MISC SERVICES
28949	VISA - UMB PARKS	12/23/2019	$2,550.10	TOOLS & MINOR EQUIP
28950	VISA - UMB POLICE DEPT	12/23/2019	$2,174.17	OFFICE SUPPLIES
28951	VISA - UMB PUBLIC WORKS	12/23/2019	$4,459.02	1ST AID & MEDICAL SUPPLIES
28952	WAGEWORKS	12/23/2019	$155.00	NOV 2019 MONTHLY ADMIN & COMPLIANC
		Total Checks	$197,185.79	

FILTER: (([Act Year]='2019' and [period] in (12))) and (Source in ('122319PAY'))

CITY OF ABILENE

*Check Summary Register©

Batch: 123019PAY

	Name	Check Date	Check Amt	
002000	**Astra Bank checking**			
28990	ABCREATIVE, INC	12/30/2019	$1,814.80	SWING RUBBER BOOT/SLIDE PARTS
28991	ABILENE MIDDLE SCHOOL	12/30/2019	$500.00	SLAM BB CLINIC
28992	ABILENE REFLECTOR-CHRONIC	12/30/2019	$989.23	DEC 2019 LEGALS & ADS
28993	ABILENE TERMITE & PEST CO	12/30/2019	$85.00	DECEMBER RODENT CONTROL
28994	APAC, INC - SHEARS	12/30/2019	$896.94	COLD MIX PATCHING
28995	ATTORNEY GENERALS OFFICE	12/30/2019	$255.00	G.O. BOND SERIES 2019-B
28996	BOBCAT OF SALINA	12/30/2019	$217.56	SHOE SKID #16
28997	CELLEBRITE INC	12/30/2019	$3,700.00	UFED RENEWAL
28998	CINTAS	12/30/2019	$87.75	1ST AID SUPPLIES
28999	CLARK, MIZE & LINVILLE CHART	12/30/2019	$2,000.00	CITY ATTORNEY DEC 2019
29000	CONSOLIDATED PRINTING	12/30/2019	$245.10	CVB & CHAMBER COPY MACHINE PRINTIN
29001	COOPER CLEANING SERVICE	12/30/2019	$2,100.00	DEC 2019 CLEANING
29002	COTTONWOOD LAW GROUP, LC	12/30/2019	$1,500.00	HOWIE 19-11608 (19-0309)
29003	DENNY'S PLUMBING & HEATING	12/30/2019	$78.00	THERMOSTAT FOR SHOP
29004	DK CTY ADMINISTRATION	12/30/2019	$1,330.12	DIESEL
29005	DON'S TIRE & SUPPLY	12/30/2019	$638.86	TIRE REPAIR
29006	EAGLE BROADBAND, INC	12/30/2019	$286.35	CVB & CHAMBER PHONE & INTERNET
29007	EAGLE TECHNOLOGY SOLUTIO	12/30/2019	$2,902.50	IT WORK ADMIN & PARKS
29008	HAYS FIRE & RESCUE	12/30/2019	$1,289.36	FOAM PRO MOTOR DRIVER FOR ENGINE #
29009	HOMMAN ELECTRONICS	12/30/2019	$96.40	FRONT PHONE REPAIR
29010	IMAGE QUEST	12/30/2019	$117.05	COPIER OVERAGE 11/25-12/24/19
29011	INDEPENDENT SALT COMPANY	12/30/2019	$1,601.25	HIGHWAY SALT
29012	INSIGHT PUBLIC SAFETY	12/30/2019	$450.00	EVALUATION - ANGEL MARTINEZ-RIVERA
29013	JOYCELYN LUCAS RANDLE LAW	12/30/2019	$500.00	AITA 19-0388/DAVIS 19-0465
29014	K B I	12/30/2019	$2,681.38	KBI LAB FEES 2019
29015	KANSAS GAS SERVICE	12/30/2019	$2,684.13	GAS SERVICE
29016	KANSAS ONE-CALL SYSTEM, IN	12/30/2019	$81.60	DEC LOCATES
29017	KDOR-MISCELLANEOUS TAX SE	12/30/2019	$3,174.80	WATER PROTECTION & CLEAN DRINKING
29018	KS EMPLOYMENT SECURITY FU	12/30/2019	$786.02	4TH QTR 2019 UNEMPLOYMENT TAX
29019	KS TREASURER	12/30/2019	$1,398.85	DEC 2019 JBEF, LETCF, MCCSFF
29020	LINDER ELECTRIC	12/30/2019	$215.00	DROPPED NETS ON COMPLEX
29021	LINK MEDIA OUTDOOR	12/30/2019	$300.00	BILLBOARD RESKIN
29022	LUMBER HOUSE TRUE VALUE	12/30/2019	$91.74	MOUSE BAIT
29023	MICHELLE WRIGHT	12/30/2019	$7,067.84	CID ROSEROCK LESS 2% ADMIN FEE - NO
29024	MIDWEST CONCRETE MATERIA	12/30/2019	$1,091.36	STREET REPAIRS FOR SEWER WORK
29025	MIDWEST SINGLE SOURCE	12/30/2019	$270.00	G.O. BOND SERIES 2019-B
29026	NEX-TECH RURAL TELEPHONE	12/30/2019	$3,034.68	PHONE SERVICE
29027	PACE ANALYTICAL SERVICES	12/30/2019	$2,520.40	ANNUAL WET TEST/WHOLE EFFLUENT TO
29028	ROBSON OIL CO, INC	12/30/2019	$5,619.45	FUEL
29029	ROCKING M MEDIA	12/30/2019	$200.00	KABI CHRISTMAS GREETINGS
29030	S & P GLOBAL MARKET INTELLI	12/30/2019	$590.00	G.O. BOND SERIES 2019-B
29031	S & P GLOBAL RATINGS	12/30/2019	$11,700.00	G.O. BOND SERIES 2019-B
29032	SOLID ROCK AUDIO VIDEO	12/30/2019	$513.66	DESKTOP MICROPHONE
29033	THE FLOWER BOX	12/30/2019	$45.00	PLANT FOR ENYART FUNERAL
29034	TRIPLETT, INC	12/30/2019	$4,850.04	CID PROPERTY 6 LESS 2% ADMIN FEE - N
29035	TRUE WEST PUBLISHING, INC	12/30/2019	$525.00	BEST OF THE WEST EDITION
29036	US BANK EQUIPMENT FINANCE	12/30/2019	$197.73	COPIER LEASE
29037	VAN DIEST CHEMICAL CO	12/30/2019	$625.00	VESSEL HERBICIDE
		Total Checks	$73,944.95	

FILTER: (([Act Year]='2019' and [period] in (12))) and (Source in ('123019PAY'))

CITY OF ABILENE

*Check Summary Register©

Batch: MANUAL122019

	Name	Check Date	Check Amt	
002000	**Astra Bank checking**			
28953	APAC, INC - SHEARS	12/20/2019	$280,066.46	project #19-2 sr street rehab
		Total Checks	$280,066.46	

FILTER: (([Act Year]='2019' and [period] in (12))) and (Source in ('MANUAL122019'))

CITY OF ABILENE

*Check Summary Register©

Batch: 120919PAY

	Name	Check Date	Check Amt
002000	**Astra Bank checking**		
Unposted	PRICE TRUCK LINE, INC	12/12/2019	$296.33
		Total Checks	$296.33

FILTER: not posted and [Cash Act]='002000'

City of Abilene
Payroll Expenditures Report
12/13/2019 PR #25

PAYROLL CODE		TOTALS		
	NET SALARIES	$	69,867.57	
051 & 501	OASDI - CITY/EMPLOYEE	$	12,465.94	
049 & 502	MEDICARE - CITY/EMPLOYEE	$	2,915.38	
001	FEDERAL WITHHOLDING - EMPLOYEE	$	7,947.26	
503	KPERS - CITY	$	6,139.66	
056, 057, 059	KPERS EMPLOYEE	$	3,724.81	**$ 9,864.47**
505	KPERS RETIREE/EMPLOYER	$	-	
153	KPERS GROUP LIFE - EMPLOYEE	$	173.29	
504	KPF - CITY	$	9,201.60	
61	KPF EMPLOYEE	$	2,972.97	**$ 12,174.57**
155	KPF GROUP LIFE- EMPLOYEE	$	76.54	
105 & 540	WADDELL & REED 457 - CITY/EMPLOYEE	$	2,025.00	
204	WADDELL & REED 529 - EMPLOYEE	$	50.00	
110	WADDELL & REED SAVINGS - EMPLOYEE	$	465.00	
130 & 530	ICMA 457 CITY/EMPLOYEE	$	-	
005	STATE TAX - EMPLOYEE	$	4,148.01	
120	AFLAC After Tax D&L - EMPLOYEE	$	135.90	
170	AFLAC Before Tax INSURANCE - EMPLOYEE	$	595.49	
102	VISION CARE DIRECT - EMPLOYEE	$	85.27	
104	VSP VISION PLANS - EMPLOYEE	$	189.74	
140	HEALTH INSURANCE - EMPLOYEE	$	5,881.08	
510	HEALTH INSURANCE - CITY	$	16,739.09	**$ 22,620.17**
103	HEALTH SAVINGS ACCOUNT - EMPLOYEE	$	780.00	
506	HEALTH SAVINGS ACCOUNT - CITY	$	75.00	
111 & 520	IMPACT SPORTS & FITNESS- CITY/EMPLOYEE	$	249.03	
114 & 560	ABILENE PHYSICAL THERAPY - CITY/EMPLOYEE	$	-	
200	KS PAYMENT CENTER SUPPORT - EMPLOYEE	$	168.46	
206	CALIFORNIA CHILD SUPPORT - EMPLOYEE	$	369.23	
150	FLEXIBLE SPENDING ACCOUNT - EMPLOYEE	$	908.37	
121	POLICE & FIREMENS INS. - EMPLOYEE	$	20.92	
211	GARNISHMENT - EMPLOYEE	$	447.12	
	TOTAL PAYROLL EXPENDITURES	**$**	**148,817.73**	

City of Abilene
Payroll Expenditures Report
1/10/2020

PAYROLL CODE		TOTALS		
	NET SALARIES	$	71,398.81	
051 & 501	OASDI - CITY/EMPLOYEE	$	12,878.28	
049 & 502	MEDICARE - CITY/EMPLOYEE	$	3,011.92	
001	FEDERAL WITHHOLDING - EMPLOYEE	$	8,814.58	
503	KPERS - CITY	$	6,283.81	
056, 057, 059	KPERS EMPLOYEE	$	3,923.30	**$ 10,207.11**
505	KPERS RETIREE/EMPLOYER	$	-	
153	KPERS GROUP LIFE - EMPLOYEE	$	186.75	
504	KPF - CITY	$	9,673.52	
61	KPF EMPLOYEE	$	3,153.91	**$ 12,827.43**
155	KPF GROUP LIFE- EMPLOYEE	$	80.08	
105 & 540	WADDELL & REED 457 - CITY/EMPLOYEE	$	1,995.00	
204	WADDELL & REED 529 - EMPLOYEE	$	50.00	
110	WADDELL & REED SAVINGS - EMPLOYEE	$	465.00	
130 & 530	ICMA 457 CITY/EMPLOYEE	$	-	
005	STATE TAX - EMPLOYEE	$	4,433.79	
120	AFLAC After Tax D&L - EMPLOYEE	$	144.74	
170	AFLAC Before Tax INSURANCE - EMPLOYEE	$	703.50	
102	VISION CARE DIRECT - EMPLOYEE	$	129.58	
104	VSP VISION PLANS - EMPLOYEE	$	189.74	
140	HEALTH INSURANCE - EMPLOYEE	$	6,149.96	
510	HEALTH INSURANCE - CITY	$	17,504.31	**$ 23,654.27**
103	HEALTH SAVINGS ACCOUNT - EMPLOYEE	$	300.00	
506	HEALTH SAVINGS ACCOUNT - CITY	$	262.50	
111 & 520	IMPACT SPORTS & FITNESS- CITY/EMPLOYEE	$	234.03	
114 & 560	ABILENE PHYSICAL THERAPY - CITY/EMPLOYEE	$	-	
200	KS PAYMENT CENTER SUPPORT - EMPLOYEE	$	168.46	
206	CALIFORNIA CHILD SUPPORT - EMPLOYEE	$	369.23	
150	FLEXIBLE SPENDING ACCOUNT - EMPLOYEE	$	1,423.76	
121	POLICE & FIREMENS INS. - EMPLOYEE	$	20.92	
211	GARNISHMENT - EMPLOYEE	$	473.25	
	TOTAL PAYROLL EXPENDITURES	**$**	**154,422.73**	

City of Abilene
Payroll Expenditures Report
12/27/2019 PR #26

PAYROLL CODE		TOTALS		
	NET SALARIES	$	74,358.98	
051 & 501	OASDI - CITY/EMPLOYEE	$	13,242.30	
049 & 502	MEDICARE - CITY/EMPLOYEE	$	3,097.04	
001	FEDERAL WITHHOLDING - EMPLOYEE	$	8,528.68	
503	KPERS - CITY	$	6,256.62	
056, 057, 059	KPERS EMPLOYEE	$	3,795.73	**$ 10,052.35**
505	KPERS RETIREE/EMPLOYER	$	-	
153	KPERS GROUP LIFE - EMPLOYEE	$	173.24	
504	KPF - CITY	$	10,009.50	
61	KPF EMPLOYEE	$	3,233.97	**$ 13,243.47**
155	KPF GROUP LIFE- EMPLOYEE	$	76.52	
105 & 540	WADDELL & REED 457 - CITY/EMPLOYEE	$	2,025.00	
204	WADDELL & REED 529 - EMPLOYEE	$	50.00	
110	WADDELL & REED SAVINGS - EMPLOYEE	$	465.00	
130 & 530	ICMA 457 CITY/EMPLOYEE	$	-	
005	STATE TAX - EMPLOYEE	$	4,453.50	
120	AFLAC After Tax D&L - EMPLOYEE	$	135.90	
170	AFLAC Before Tax INSURANCE - EMPLOYEE	$	595.49	
102	VISION CARE DIRECT - EMPLOYEE	$	173.89	
104	VSP VISION PLANS - EMPLOYEE	$	189.64	
140	HEALTH INSURANCE - EMPLOYEE	$	5,903.92	
510	HEALTH INSURANCE - CITY	$	16,804.09	**$ 22,708.01**
103	HEALTH SAVINGS ACCOUNT - EMPLOYEE	$	780.00	
506	HEALTH SAVINGS ACCOUNT - CITY	$	75.00	
111 & 520	IMPACT SPORTS & FITNESS- CITY/EMPLOYEE	$	233.97	
114 & 560	ABILENE PHYSICAL THERAPY - CITY/EMPLOYEE	$	-	
200	KS PAYMENT CENTER SUPPORT - EMPLOYEE	$	168.46	
206	CALIFORNIA CHILD SUPPORT - EMPLOYEE	$	369.23	
150	FLEXIBLE SPENDING ACCOUNT - EMPLOYEE	$	908.37	
121	POLICE & FIREMENS INS. - EMPLOYEE	$	20.92	
211	GARNISHMENT - EMPLOYEE	$	534.71	
	TOTAL PAYROLL EXPENDITURES	**$**	**156,659.67**	