



[Please note that the meeting agenda is subject to change during the meeting.]

City of Clearwater Council Meeting Agenda
Tuesday August 25, 2026, at 6:00pm
129 E Ross Clearwater, KS 67026

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1. **Call to Order/ Invocation and Flag Salute**
2. **Roll Call**
3. **Approval of Agenda**
4. **Public Forum** - Members of the public can address the Mayor and City Council limited to not more than five minutes.
5. **Consent Agenda** - Items on the Consent Agenda are considered by staff to be routine business items. Approval of the items may be made by a single motion, seconded, and a majority vote with no separate discussion of any item listed.
 - a. [Previous Council Meeting Minutes](#)
 - b. [Claims and Warrants](#)
 - c. [Designate Safety Zone – High School Cross Country Route](#)
6. **Staff Reports**
7. **Business**
 - a. **Hearing:** [Revenue Neutral Rate Hearing](#)
 - b. **Action:** [Adopt RNR Resolution](#)
 - c. **Hearing:** [2027 Budget Hearing](#)
 - d. **Action:** [Adopt 2027 Budget](#)
 - e. **Action:** [Open a CD at Emprise Bank.](#)
 - f. **Action:** [Emprise Lease for 2027 Tender](#)
 - g. **Discussion:** [Expansion of Planning Area and UGA](#)
8. **Governing Body Comments**
9. **Executive Session**
10. **Adjournment**

Next Assignment Numbers

Charter Ordinance: 25

Ordinance: 1135

Resolution: 11-2026

NOTICE: SUBJECT TO REVISIONS

It is possible that sometime between 5:30 and 6:00 pm immediately prior to this meeting, during breaks, and directly after the meeting, a majority of the Governing Body may be present in the council chambers or lobby of City Hall. No one is excluded from these areas during those times.

City of Clearwater, Kansas
Sedgwick County
City Council Meeting - **MINUTES**
August 11, 2026
Clearwater City Hall – Council Chambers
129 E. Ross Avenue Clearwater, KS 67026

1. Call to Order/ Invocation and Flag Salute

Mayor Burt Ussery called the meeting to order at 6:00 p.m. followed the invocation and flag salute.

2. Roll Call

The City Clerk called the roll to confirm the presence of a quorum. The following members were present:

Mayor Burt Ussery, Councilmembers; Jason Gordon, Justin Shore, Samantha Warkins, Shirley Palmer-Witt and Dalton Chambers.

The following staff members were present:

City Administrator Zollinger, City Clerk Poe, Cole Hollis, Kirk Ives and City Attorney Scott Ufford.

Others present who spoke:

Scot Palmer, Don Heard and Richard Grizzle.

3. Approval of Agenda

Mayor Ussery asked if there were any modifications to the agenda, Zollinger stated that item 7i, Amendment to Ninnescah Township Fire Protection and Emergency Service Agreement, needed to be added to the business section.

Motion: *Shore* moved; *Palmer-Witt* seconded to approve the agenda as modified. Voted and passed unanimously.

4. Public Forum

None.

5. Consent Agenda

Mayor Ussery asked if there was any question on the consent agenda and if not asked for a motion to approve.

Previous Council Meeting Minutes

Claims and Warrants

CMB License

Motion: *Warkins* moved; *Gordon* seconded to approve the consent agenda as submitted. Voted and passed unanimously.

6. Staff Reports:

- Administration Office – Courtney Zollinger – Council inquired about the irrigation leak at the Senior Center, Zollinger stated that Public Works was able to repair it.
- Fire Department – Courtney Zollinger – Council inquired about the number of attendees at the trainings and the number of volunteers on standby for the rodeo. Zollinger did not have the attendance information for the trainings but believed there were two volunteers on standby for the rodeo. Council also asked about the two missed calls. Zollinger clarified that the two missed calls were for the entire year and believed they were EMS calls that occurred when volunteers were unavailable. Council asked whether it was possible to determine if the missed calls occurred during the daytime or evening hours. Zollinger stated that she would need to look into the information.
- Police Department – Kirk Ives – Council asked if the SPV registrations were up from last year, Ives said they were and more will come get registered around Fall Festival. Council inquired about the motorized bicycles that children had been riding around town and whether they were legal. Ives stated that there are currently no laws prohibiting them from being ridden. Council asked whether exhaust brakes were allowed within city limits. Ives stated that they are not. Shore noted that he had been hearing exhaust brakes more frequently and asked if

the Police Department could keep an eye out for them. Ives stated that they would. Hollis noted that there is a sign on Diagonal Road regarding exhaust brakes that is clearly visible.

- Public Works/Parks – Cole Hollis – Council inquired about the exploratory dig on the 200 block of North Byers. Hollis stated that the purpose of the dig was to determine whether the issue was a leak on the City's side. After completing the exploratory dig, it was determined that the leak was on the resident's side. Council thanked them for their work at the Senior Center moving things around.
- Senior Center – Courtney Zollinger – Council had no questions. Don Heard stated that construction is coming along great and is looking nice at the Senior Center.

7. Business

a. GO Bond Series 2026

On June 23, 2026, the Council adopted Resolution 09-2026 authorizing the sale of General Obligation bonds and ordinance 1130 levying special assessments for Park Glen Estates 2nd improvement district. Property owners were notified by mail with options to pay in whole or part to the City by July 22, 2026, their portion of the improvements on their property. The City Clerk did not receive any payments. The bond payment will be reimbursed through special assessments to the city annually. There were 4 bids received with Robert W. Baird & Company, inc. coming in with the Average Net Interest of 4.2552%. Council asked if these assessments would be included in the December tax payments, Zollinger stated they would. She informed them that this was for the Stoney Creek loop. They asked if the interest rate was decent, Zollinger stated it was about 1% higher than a couple of years ago.

Motion: Warkins moved; **Palmer-Witt** seconded to award the General Obligation bid to Robert W Baird & Co., Inc. with an Average Net Interest of 4.2552%. Voted and passed unanimously.

Motion: Shore moved; **Chambers** seconded to adopt Ordinance 1134 Authorizing And Providing For The Issuance Of General Obligation Bonds, Series 2026, Of The City Of Clearwater, 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. Voted and passed unanimously.

Motion: Warkins moved; **Gordon** seconded to adopt Resolution 10-2026 Prescribing The Form And Details Of And Authorizing And Directing The Sale And Delivery Of General Obligation Bonds, Series 2026, Of The City Of Clearwater, Kansas, Previously Authorized By Ordinance No. 1134 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. Voted and passed unanimously.

Motion: Gordon moved; **Shore** seconded to authorize the Mayor and Clerk to execute the closing documents. Voted and passed unanimously

b. City Park Ball Field Agreement

At the last City Council meeting, the Council discussed the proposed division of responsibilities for the City Park Ball Field and agreed with the general terms presented. Staff have prepared a formal agreement for the Council's review and approval before presenting it to the Chisholm Trail Recreation Commission. The agreement applies only to the City Park Ball Field. The Recreation Commission would control scheduling and use of the field and retain rental fees and other income generated through its use. The Recreation Commission would be fully responsible for the dirt and playing surface, grass and turf areas, irrigation system, temporary fencing, electric costs, and fence-line maintenance. The City would remain responsible for maintaining and repairing the permanent chain-link fence and stadium lights. Any improvement or update requiring City funding, labor, equipment, materials, or future responsibility would require prior approval by the City Council. The agreement would remain in effect until terminated by either party with 60 days' written notice. The Recreation Commission would be responsible for the operating and maintenance costs assigned to it under the agreement, including all electric costs. The City would remain responsible for maintenance and necessary repairs to the permanent chain-link fence and stadium lights. No other City-funded improvement or update may be completed without prior City Council approval. Rental fees and other income generated through Recreation Commission use of the field would be retained by the Recreation Commission. Zollinger reiterated that, with the Recreation Commission controlling the use of the field, the Fall Festival would need to move the carnival to another location. Council discussed other options for the Fall Festival Committee, including using the streets, CIMS, or the Sports Complex. Council also discussed that the area would remain a public park and that, when the field is not reserved or in use, the

public would still be able to utilize it. Reservations would continue to be scheduled through the platform currently in use but would be managed by the Recreation Commission. Zollinger noted that the fields at the Sports Complex are closed during the fall for repairs and reseeding, which may also be necessary for the City Park ball field once the upgrades are completed. Council asked about the cost for utilities, Zollinger did not have that information, they then asked how the lights are managed, Hollis stated they are locked and the recreation commission has a key to access them. Zollinger stated that the recreation commission will be making the upgrades and then maintaining it with their funds which would include the management of what could go on in that field, they probably wouldn't allow inflatables or heavy equipment. It was noted that the grass area outside of the ball field outfield would still be maintained by the City. They discussed the temporary fence being taken down each year and that the recreation commission just upgraded the fencing and will put in permanent holes for ease of installation each year. Council did not want to stipulate an exact location for the parade or carnival for future Fall Festivals. Council preferred that the Fall Festival Committee determine the locations and bring their recommendations to Council for approval. Zollinger stated that staff could also assist the committee in determining suitable locations. Mayor Ussery sees this as a good step for the future to collaborate with both entities that utilize the public space. Council asked if the approval of funding a portion of the sod for the upgrade needed to be addressed in the agreement, Zollinger stated the \$17,500 was approved at the last meeting and did not need to be included in this agreement. She stated this is moving forward with maintenance and management of the field. This agreement will be sent to the Recreation Commission for their approval and then the Mayor can sign if approved.

Motion: *Warkins* moved; *Palmer-Witt* seconded to approve the proposed City Park Ball Field Agreement for presentation to the Chisholm Trail Recreation Commission and authorize the Mayor to sign the agreement upon approval by the Recreation Commission. Voted and passed unanimously.

c. Temporary Alcohol Permit – Reflection Mobile Bar

Clearwater Fall Festival will host their annual Fall Festival at City Park. They will be having a beer garden on Friday October 16th from 5pm-10pm and October 17th from 11:00 AM to 11:00 PM. They are requesting the Council to consider the temporary alcohol permit for Reflection Mobile Bar Service to cater for the event at the Aquatic Center Parking lot. It is close to the stage where live bands will be performing. The festival would put up a double-layer snow fence around the proposed area which is extended a little since the previous year. They will provide parents of youth sports organizations to check ID's and help keep the drinks restricted to inside the beer garden area. Reflection Mobile Bar Service is licensed with ABC. Their privileges allow the licensee to sell and serve alcoholic liquor for consumption on unlicensed premises and other activities as authorized by K.S.A. 41-2643. The Clearwater City Code 3-104 states council can grant a temporary permit to allow alcoholic liquor on city property if an alcoholic liquor license has been obtained from the state. Council asked if Chief Ives had any concerns, and he stated that they have not had any problems in the past. Mayor Ussery questioned why the entire parking lot, including the stage area, could not be fenced off rather than only a portion, since there are no age restrictions for entering the area. Warkins stated that maintaining a double-layer fence with multiple events and people needing to enter and exit for setup would be difficult, as would the amount of fencing required. Scot Palmer noted that the area has been packed in the past and stated that, if he had the materials and time to fence the entire lot, he would. Zollinger noted that maintaining double fence can be difficult, especially during windy conditions. She also stated that state law does not require a double fence; the additional fencing was requested by Council due to issues experienced in the past and trying to deter drink passing through the double layer. Mr. Palmer noted that a significant portion of the revenue from the event is donated to youth wrestling and other organizations. He stated that there are typically not many coolers or outside drinks, as most attendees go into the beer garden. Mr. Palmer and Warkins asked if it would be possible to have a single layer fence this year, Council discussed it and the consensus was to allow the single layer fence. If there are issues after the first night, Mr. Palmer can put up the second layer. Mr. Palmer also asked if he could move his truck 10 feet to the east to allow for additional storage space. He proposed barricading the area behind the truck so that no one could access the space, Council agreed to that.

Motion: *Warkins* moved; *Gordon* seconded to approve the Temporary Permit as modified with a single layer fence for Reflection Mobile Bar Service during the Clearwater Fall Festival. Voted and passed unanimously.

d. Engineering Service Contract - Sidewalk Improvement

Certified Engineering Design, P.A., CED, is City of Clearwater engineer. They have been asked to create design and plans

for a sidewalk along Ross ave from 4th to Chisholm Ridge ponds, around Chisholm Ridge ponds, and a sidewalk on Janet from 4th to Indian Lakes Dr. CED and Staff realized that we have not formalized the work with the standard contract for services. Initial cost for design and survey is \$65,732 and if the project is approved through the bid process there will be staking, administration, and inspection fees not to exceed \$69,732. Zollinger noted that this is in addition to the Yvonne and Janet extension project and is accounting for 6' sidewalks. Council asked about the storm sewer estimate included in the estimate provided, Zollinger answered it was for the drainage at the West Chisholm Ridge pond due to the huge dip in that sidewalk which added a significant amount to the cost. Council asked if CED would be initiating the procurement of the easements, Zollinger said they would and Council said they may have difficulty getting 2 of the residents to agree. If the easements aren't granted, then there would be substantial costs added to the project to accommodate those changes. There has been discussion with the commercial properties about the easements, and they seem to be agreeable for the most part. Council asked if they should wait until the process of getting easements is complete, Zollinger stated CED has already started working on it and there would at least be plans ready for this project when funding becomes available. Council discussed adding a crosswalk near Jumpstart since kids cross there a lot and mentioned the one kid who was hit a couple of years ago due to the sun. Chief Ives confirmed that a lot of the kids cross the street at that location. Zollinger mentioned there would probably need to be 2 more culverts added for this and it will increase the design work cost for the project. Council mentioned checking into grants, it hasn't been successful in the past, but Zollinger stated they can certainly try Ives added that it may slow the project down. Consensus was to add a crosswalk in front of JumpStart or wherever CED suggests to the project with an additional \$8,000 authorized to the project after lengthy discussion.

Motion: *Warkins* moved; *Shore* seconded to authorize the mayor to execute the engineering services contract between City of Clearwater and Certified Engineering Design, P.A with the modifications of adding a crosswalk up to an additional \$8,000 to the quoted not to exceed fees of \$69,732. Voted and passed unanimously.

e. Illinois Township Fire Protection Agreement

The City of Clearwater has been offering fire protection services to the norther half of Illinois Township in Sumner County for many years. The agreements have been for a term of 5 years and the last one adopted was from 2009 which technically expired in 2013. The city has continued to offer fire and medical aid, and the township has continued to pay for those services. The prior agreement was for 6 mills of their valuation. Zollinger spoke with many departments in Sumner County trying to figure out what the valuation was for the northern half of the Township, but they were unable to provide a breakout of just a portion of a township. Illinois Township has a contract with Conway Springs, and they charge a flat fee for fire protection services. It is staff proposal to set a flat fee equivalent to what we have been receiving instead of asking for a mill levy since the county is unable to calculate it. If approved this agreement will be sent to the Township board. Set the flat fee for one year at \$3,700. Term will be for one year and will renew for successive one-year terms unless either party provides written notice. Council asked what the City currently receives from Illinois Township, Zollinger answered \$3,732 and that the calls are far fewer in Sumner County than in Ninnescah Township. Council asked if \$3,700 was an appropriate fee for the number of staff responding to the calls, Zollinger said it was. Council asked if it was necessary to review the agreement every year, Zollinger believes it is a good idea for keeping track and for turnover, Mayor Ussery added it would be good in the event either party needed to express issues or request changes. Zollinger added that there is an average of 15 calls annually for Sumner County. Council then asked if the bulk medical supplies received from Sumner County could be used on these calls, Zollinger stated that they could be used but that trade-off program hasn't been working as smoothly and Justin Patrick is working on that.

Motion: *Palmer-Witt* moved; *Gordon* seconded to authorize the Mayor to execute the proposed Fire Protection and Emergency Response Services Agreement with Illinois Township, providing for an annual payment of \$3,700. Voted and passed unanimously.

f. London Township Emergency Response Agreement

The City of Clearwater used to have an agreement with London Township in Sumner County to provide fire and emergency response. The Township contracted to pay 4 mills to the City for those services. In 2008 London Township terminated the agreement because they decided to use another group for fire protection. The City of Clearwater was asked to continue with medical services but no longer has an agreement for boundaries or compensation. It is the recommendation of staff to set a flat fee for \$1,000 per year instead of a mill levy. Clearwater responds 2 to 3 times a year for medical calls in London Township. If approved the agreement will be sent to the London Township board. The term will be for one year and will renew for successive one-year terms unless either party provides written notice.

Council discussed the Township being straight South and East, Zollinger added out of the average 15 medical calls per year, 2 to 3 of them are for London Township. Mayor Ussery stated it is important that the agreements are in place as they move forward as a fire district and believes the cost is acceptable. Council asked where the revenue would be taken to for these agreements, Zollinger stated it would be put into the General fund under the rural fire contract line to help offset costs.

Motion: Chambers moved; **Palmer-Witt** seconded to authorize the Mayor to execute the proposed Emergency Response Services Agreement with London Township, providing for an annual payment of \$1,000. Voted and passed unanimously.

g. Planning Commission and Board of Zoning Appeals By-Laws

On August 4, 2026, the Planning Commission and Board of Zoning Appeals met and approved a modification to their By-Laws. The Planning Commission and Board of Zoning Appeals amended their by-laws to change the time of the meetings, which is now set at 6:00pm on the 1st Tuesday instead of 6:30pm. The City Council must approve the changes before they take effect. If approved the change would be effective for September 1st meeting.

Motion: Warkins moved; **Shore** seconded to adopt the Planning Commission and Board of Zoning Appeals By-laws that were approved on August 4th, 2026,. Voted and passed unanimously.

h. Fire Fundraising Committee Request

The fire department would like to raffle off a firearm again for the third year to raise money for the department radios. The rules for raffles in Kansas have been reviewed, and a license will be required if the gross receipts for raffles exceed \$25,000 in a fiscal year. The Fire Department does not anticipate exceeding that mark, therefore will not require a special permit. Last year they raised \$8,923. The fundraising committee stated the raffle winners would have to go through a background check at the FFL to pick up the firearms through the dealer, KG Gunworks. They will be offering a Mossberg 590s value of \$560, Henry Golden Boy 22 Rifle valued at \$520 and a Glock 43x9mm valued at \$430 from last year. The winner of the Glock from 2025 didn't pass the background check so the Fire Department will not need to purchase another one for 2026. If the winner doesn't want the firearm that is raffled the winner would then get a gift card for the same value as the firearm. The winners will be drawn at the Fall Festival. If the receipts for the tickets exceed the cost of the firearms there will be no financial impact. If the receipts fall short of the cost of the firearm the Fire Department Donation fund will cover the remaining cost. The Fire Department Donation account balance is \$23,677. The suggested firearms retail price will be up to \$1,080. Council asked if the cost for the background was paid by the Fire Department or the individual, Richard Grizzle stated that the FFL takes care of that.

Motion: Warkins moved; **Gordon** seconded to approve the fire department fundraising request. Voted and passed unanimously.

i. Approve Amendment to Ninnescah Township Fire Protection and Emergency Service Agreement

Ninnescah Township board reviewed the proposed contract and asked that #3 be modified so the response from Clearwater's Fire Department is defined better and not just at the discretion of the Fire Chief or person in charge of the Clearwater Volunteer Fire Department being final in such matters. An amendment has been prepared for the City Attorney and City Council to review. Zollinger noted that Ninnescah has never had a problem with Clearwater Fire Chief deciding whether to make a call or not, they wanted to ensure that they make the call. With the help of counsel, re-wording of section three no states *The Clearwater Volunteer Fire Department shall make a reasonable effort to respond to all emergency calls within Ninnescah Township when dispatched or otherwise properly notified of an emergency. The City shall provide emergency response services within the Township in substantially the same manner as emergency calls within the City of Clearwater, subject to the availability of personnel and apparatus and any emergency conditions existing at the time of the call as determined by the fire chief or person in charge of the fire department. Nothing in this Agreement shall require the Clearwater Volunteer Fire Department to respond when road, weather, or other conditions make a response unsafe or physically impracticable, or when available personnel or apparatus are already committed to another emergency. In such circumstances, the Fire Department shall make reasonable efforts to obtain assistance through available mutual*

aid or automatic aid resources. Zollinger stated that this agreement will have to go back to the board to be approved. Council asked what the 6 mills would be, Zollinger sated it would be around \$95,000 annually but would paid quarterly which is about \$15,000 higher than they have been paying.

Motion: Shore moved; **Warkins** seconded to approve amendment to Ninnescah Township Fire Protection and Emergency Service Agreement and authorize the Mayor to sign. Voted and passed unanimously.

8. Executive Session

None

9. Governing Body

Gordon – None.

Shore – Wanted to clarify that the opposition to solar was not opposition to solar energy as a whole, but specifically to the Branch Line Solar project that was proposed on the border of Clearwater. Shore stated that there had been some confusion regarding the position and wanted the clarification stated for the record.

Warkins – She stated that the next Fall Festival meeting will be Monday and that she hopes to have the events and times confirmed so they can begin assembling the booklets for distribution. She is also hoping to obtain a better address list this year. Another meeting will be held in September. She informed the committee that this will be her last year serving on the committee, although she may remain as the treasurer. She asked that this information be passed along in case someone else is interested in taking over her position.

Palmer-Witt – None.

Chambers – Chambers inquired about the Sedgwick County meeting regarding the mutual aid agreements, Mayor Ussery clarified that it would be held tomorrow around 9. The proposed action is to extend the current auto and mutual aid agreements through September 27th. After their meeting last Friday, Mayor Ussery believes there to be 2 challenges. One being how to include Ninnescah Township in the agreement process. The other being Clearwater Fire Department not receiving 911 calls for places such as Charles Engineering being so close, which could create a 12–15-minute delay. He mentioned that by State Statute Townships can elect who they want to handle their fire protection and Zollinger added that an individual resident within a Township that is not incorporated into any city can petition their property into a fire district.

Ussery – Mayor Ussery read a thank you note from the pool manager, Chuck Reitberger. It read *“On behalf the Clearwater Aquatic Center I wish to thank you for the great dinner we enjoyed as the season was closing. With the city's generosity I was able to provide a delicious meal to the many grateful lifeguards and basket room staff. This 2026 pool season has been one of success and we can all be very proud of our young people that have represented our community in the highest standards. Personally, I thank all for this year and many past years to serve Clearwater as pool manager.”*

Don Heard asked if the Senior Swim program would be offered again next year because he enjoyed it, Mayor Ussery stated it probably would.

10. Adjournment

Motion: Warkins moved; **Palmer-Witt** seconded to adjourn the meeting. Voted and passed unanimously. The meeting adjourned at 7:22 PM.

CERTIFICATE

State of Kansas }
County of Sedgwick }
City of Clearwater }

I, Jaye Poe, City Clerk of the City of Clearwater, Sedgwick County, Kansas, hereby certify that the foregoing is a true and correct copy of the approved minutes of the August 11th, 2026, City Council meeting.

Given under my hand and official seal of the City of Clearwater, Kansas, this 25th day of August 2026.

Jaye Poe, City Clerk



Clearwater, KS

Payroll Check Register

Employee Pay Summary

Pay Period: 7/25/2026-8/7/2026

Packet: PYPKT00249 - 2026 08 1st City Payroll

Payroll Set: City of Clearwater - 01

Employee	Employee #	Payment Date	Number	Earnings	Deductions	Taxes	Net
Allred, Emelia V	50131	08/14/2026		350.08	0.00	37.77	312.31
Baumann, Austin J	51065	08/14/2026		30.00	0.00	2.30	27.70
Berger, Kyle W	51018	08/14/2026		90.00	0.00	6.89	83.11
Berlin, Justine T	51094	08/14/2026		578.76	0.00	44.27	534.49
Biggs, Jason B	50016	08/14/2026		1,792.00	323.09	271.19	1,197.72
Burley, Jamie L	50019	08/14/2026		1,778.90	140.23	376.18	1,262.49
Canup, Phenmore E	51125	08/14/2026	202	325.32	0.00	24.89	300.43
Chambers, Dalton C	50116	08/14/2026		44.31	0.00	3.39	40.92
Childers, Kyla Renay	POOL00014	08/14/2026		549.34	0.00	63.39	485.95
Christiansen, Brylie Paige	51109	08/14/2026		397.21	0.00	43.84	353.37
Corr, Lisa S	51008	08/14/2026		45.00	0.00	3.44	41.56
Cowherd, Michael D	51036	08/14/2026		2,399.72	294.31	457.71	1,647.70
Dinwiddie, Jared K	51015	08/14/2026		857.69	0.00	233.01	624.68
Fisher, Taryne R	51105	08/14/2026		494.26	0.00	56.30	437.96
Gardenhire, Graysea Bryn	POOL00012	08/14/2026		365.31	0.00	39.74	325.57
Gearhardt, Jason M	50060	08/14/2026	200	3,865.08	601.11	931.65	2,332.32
Gillespie, Reagan Nicole	POOL00011	08/14/2026		527.89	0.00	42.30	485.59
Gordon, Jason E	50104	08/14/2026		44.31	0.00	3.39	40.92
Grizzle, Richard E	51084	08/14/2026		120.00	0.00	9.18	110.82
Hagy, Victor L	51120	08/14/2026		96.40	0.00	7.38	89.02
Harp, Lee B	50063	08/14/2026		668.47	0.00	116.69	551.78
Hollis, Cole F	50015	08/14/2026		3,005.46	257.09	578.92	2,169.45
Ives, Kirk D	50056	08/14/2026		3,412.47	407.26	811.19	2,194.02
Ives, Amber E	50090	08/14/2026		1,890.74	245.55	362.58	1,282.61
Jacks, Justin T	50066	08/14/2026		2,393.72	445.78	238.03	1,709.91
Kenney, William Vincent	51127	08/14/2026		45.00	0.00	3.44	41.56
King, Layne Allen	POOL00002	08/14/2026		631.29	0.00	75.12	556.17
King, Kylee M	50139	08/14/2026		244.72	0.00	24.24	220.48
Kite, Kristopher Glen	PD00003	08/14/2026		475.86	0.00	53.93	421.93
Kraft, Gibson R	51004	08/14/2026		15.00	0.00	1.15	13.85
Lambert, Patricia L	50017	08/14/2026		250.00	0.00	19.13	230.87
Lantz, Caden Tyler	PD00004	08/14/2026		1,800.00	158.00	260.78	1,381.22
McDanel, Jacob Michael	PW00004	08/14/2026		300.00	0.00	31.34	268.66
Mellen, Grant Robert	POOL00003	08/14/2026		89.43	0.00	6.84	82.59
Mendenhall, Stephanie K	51092	08/14/2026		287.46	0.00	29.73	257.73
Miller, Livia L	51113	08/14/2026		396.89	0.00	30.36	366.53
Mishler, Johnny L	50025	08/14/2026	198	103.30	0.00	7.90	95.40
Nichols, Patricia L	50062	08/14/2026		1,435.73	152.22	256.92	1,026.59
Ohlde, Emmitt Ray	POOL00010	08/14/2026		221.32	0.00	16.93	204.39
Ostgren, Courtney L	50227	08/14/2026		3,715.13	456.02	924.31	2,334.80
Palmer-Witt, Shirley K	50111	08/14/2026		44.31	0.00	3.39	40.92
Pankratz, Tyler L	51063	08/14/2026		45.00	0.00	4.44	40.56
Pate, Henry A	51017	08/14/2026		105.00	0.00	8.03	96.97
Patrick, Justin R	51033	08/14/2026		676.97	0.00	118.63	558.34
Pickens, Michael A	50061	08/14/2026		3,427.84	206.57	797.77	2,423.50
Poe, Jaye D	50018	08/14/2026		2,496.73	224.80	505.19	1,766.74
Posch, Chadd A	50211	08/14/2026		2,424.58	343.98	240.71	1,839.89
Rakes, Andrew M	51045	08/14/2026		60.00	0.00	4.59	55.41
Reitberger, Carol L	50002	08/14/2026		2,241.49	883.75	480.09	877.65
Reitberger, Charles A	50049	08/14/2026	199	1,426.70	0.00	235.68	1,191.02
Riggs, Roy R	50080	08/14/2026		96.31	0.00	7.37	88.94

**City of Clearwater
City Council Meeting
August 25, 2026**

Designate a Safety Zone – High School Cross Country Championship

Context: Clearwater High School will be hosting the AVCTL Cross Country Championship on September 3rd from 6:00 PM to 8:00 PM. The course will require runners to cross Yvonne Drive. Chief Ives would like to designate Yvonne Drive as a Safety Zone per K.S.A 8-1460. The roads will be blocked between 5:45 PM and 8:00 PM on September 3rd for the Cross-Country Championship.

The City Clerk will make a post on the website and Facebook of the road closure.

Financial: No financial impact.

Legal Considerations: Review and comment as necessary

Recommendations/Actions: Approve the Yvonne Dr safety zone for the AVCTL Cross Country Championship.



To: Mayor and City Council
From: Courtney Zollinger, City Administrator
Date: August 20, 2026
Re: Administration Report

- The City has signed up for free Amazon Prime Business with the partnership of LKM. This is offered for at least 2 years.
- The city received an extension on fire aid agreements from BOCC until September 23, 2026.
- The City auditors came in on August 18th and 19th to get final information for the 2025 audit.
- CED estimates that the engineering cost for the crosswalk at Jump Start will be approximately \$5,000. I have authorized them to move forward with design.
- CED has begun sending out the easement letters for the sidewalk and Yvonne Dr. project.
- CED's is about 85% of complete with sewer study and 75% complete with water study. They're goal is to be complete with both by the end of September.
- Chuck Reitberger, Pool Manager, informed me that the Clearwater Swim Team group made arrangements to pick up their items from the pool. Two members of the group removed all items in one of the sheds where their items were kept. They also tore down the shed the items were stored in. The shed was beat up, so it wasn't a great loss for the pool. They were going to take the lane ropes and reals that were also at the pool, but Reitberger informed them that they were City property and not the Swim Team. We don't have any other information about what Swim Team will be in the future.
- The delivery date of the Tender has been pushed to October. We have notified Verisk (ISO Company) of the delayed shipment and are waiting to hear from them.
- The first Temporary Note for the road reconstruction engineering costs are coming due. The city will use sales tax funds to pay off the Temp Note. Total payoff price is \$552,834.38. This will leave a balance of \$799,655.11 in the project fund and \$854,516 in the Eq Res Fund for a total of \$1,654,171 so far dedicated to the other temp note that will come due in October 2027.
- The 3 lots in Park Glen Estates were mowed by the city, and an invoice was sent out.
- Year to Date (July 2026): 1% Sales Tax Collected: **\$235,165.49**
- Total Sales Tax Collected since January 2024: **\$963,642.11**

Dates to Remember

- September 1st – Fields 1, 2 & 3 at the Sports Complex will be closed for the rest of the season
- September 7th – City Offices Close in observance of Labor Day
- September 29th – Council Workshop
- October 5th – Street Sweeping Start
- October 8th-10th – LKM Annual Conference
- October 16th-18th – Fall Festival
- October 31st – Downtown Trick or Treat

Active Nuisances/ Code Violations

205 S Tracy	148 N Lee	115 N Gorin	116 S Gorin	200 N Prospect	208 W Ross
143 S 2 nd	317 E Ross	219 S Prospect	120 W Ross	200 E Ross	114 S Byers
218 N Lee	South Crest	150 N Lee	400 E Ross	740 E Rolling Hills	115 S Byers
201 S Tracy	217 S Lee	216 S Tracy	209 S Lee	205 S Lee	205 S Gorin
148 S 1 st	628 E Park	201 N Gorin	217 N Gorin	223 N 1 st	720 E Rolling Hills

To: Mayor and City Council
From: Jared Dinwiddie, Clearwater Fire Chief
Date: August 20th, 2026

Re: Fire Department Staff Report

- Clearwater Fire responded to **14** medical calls and **4** fire calls since our last report.
- Average response time for SGCO EMS on medical calls has been around **21** minutes. Sedgwick County EMS Community Response Vehicle (CRV81) response time has averaged about 3 minutes.
- To Date: Missed
 - Medical – 1 @ 8:47am
 - Fire - 0
- To Date: The CRV has been unstaffed **10** times.
- Personnel conducted PPE and SCBA drills at our last fire training on the 18th.
- Mayor Ussery and Councilmember Chambers attended our last fire training to address the body and answer questions regarding the future of the Clearwater Fire Department and the mutual aid agreements with SGCO FD#1.
- CMO attended the SGCO OMD meeting on the 11th. He expressed his concerns about the availability of the OMD on getting personnel credentialed for the department.



To: Mayor and City Council

From: Kirk Ives, Chief of Police

Date: August 20, 2026

Re: Police Department Staff Report

Officers:

Officer Caden Lantz is still doing well at KLETC.

Sgt. Jacks is back in school, and he says it's going well.

Police Clerk:

SPV permits count is 125.

Building:

No issues

Vehicles:

Regular maintenance.

Matters of interest since the last meeting on Police Activity:

We have had 68 dispatched/reported calls with 11 arrests and 20 citations issued since my last report. (Does not always include self-initiated calls).

To: Mayor and City Council Members

From: Cole Hollis, Public Works Director

Date: August 25, 2026

Subject: Public Works Summary

1. Replaced broken sidewalk at 441 S 4th
2. Added sidewalk entrance from Kansas Ave to 4th Ave
3. Repaired water leak at 9415 W 103rd st S
4. Water service tapped and installed at 8035 Butterfly Ct
5. Replace lower spray arm and lower door seal on dishwasher at senior center
6. We have stopped mowing the frisbee golf, airport Rd, and Yvonne Dr for cross country
7. Removed hydraulic bed cylinder on 01 F350, taken to be rebuilt
8. Picked up and delivered commodities
9. Burnt Brush dump
10. Repaired west side school zone lights
11. Repaired leak at 601 Heller Ave
12. Micheal attended a 2-day electrical class in Salina
13. Changed locks on concession doors at sports complex
14. Replaced A/C fan motor on south side unit at senior center
15. Picked up brush left at Ross & Prospect by Evergy



Clearwater Senior Center

Staff Report

August 20, 2026

To: Mayor & City Council

From: Amber Ives, Coordinator

With September being National Senior Center Month, I am working to plan a few extra events for the seniors to participate in. If you are able, please plan to stop in and check out the fun!

Friday, August 21, CPAAA Trio Program will be in to assess our lunch process and give me feedback on changes that need to be made. I will update how this goes Tuesday at the meeting.

Building updates – we will be closed on August 31st for electrical work. New editions are happening quickly, and the seniors love everything that is happening, even the added noises.

We continue to host educational events, along with fun activities and exercises daily. Nothing new or different to report currently.

Respectfully,

Amber Ives

Senior Center Coordinator

**City of Clearwater
City Council Meeting
August 25, 2026**

Revenue Neutral Hearing /Resolution Adoption/ Budget Hearing/ Budget Adoption

Context: During the 2021 legislative session, the tax lid was removed and the legislature enacted SB 13 and HB 2104. This legislation established notice and public hearing requirements when a proposed budget exceeds the property tax levy's revenue neutral rate.

The City of Clearwater's proposed 2027 budget exceeds the revenue-neutral amount of \$1,434,158, which results in a Revenue Neutral Rate of 48.923 mills. The Governing Body must hold a public hearing before exceeding the RNR. The County Clerk notified taxpayers by mailing a Notice of Estimated Ad Valorem Taxes, and the City published the combined RNR and budget hearing notice in the Times-Sentinel at least 10 days before the hearing.

2025 Assessed Valuation: \$27,216,093
2026 Mill Levy: 52.695
2026 Taxes Budgeted: \$1,434,158

2026 Assessed Valuation: \$29,314,635
2027 Proposed Mill Levy: 52.695
2027 Taxes Budgeted: \$1,544,733

The City remained revenue neutral in 2025 and 2026, which reduced the total mill levy from 64.131 to 52.695. The proposed 2027 budget exceeds the RNR while keeping the total mill levy at 52.695.

The additional property tax revenue will allow the City to maintain current staffing and maintenance levels; establish a Duty Officer position in the Volunteer Fire Department to ensure leadership is available 24 hours a day, seven days a week for emergency calls; continue an equipment reserve plan for all departments; and add a part-time position at the Senior Center to assist with lunch service. There have been no changes or updates to the budget since the budget hearing was set, and the total mill levy will remain 52.695.

Financial: This will set the 2027 City operating budget

Legal Considerations: Review and comment as necessary

Recommendations/Actions: Adopt the RNR resolution and adopt the 2027 budget as presented.

CITY OF CLEARWATER, KANSAS

RESOLUTION NO. 11-2026

A RESOLUTION OF THE CITY OF CLEARWATER, KANSAS TO
LEVY A PROPERTY TAX RATE EXCEEDING THE REVENUE
NEUTRAL RATE

WHEREAS, the Revenue Neutral Rate for the City of Clearwater was calculated as 48.923 mills by the Sedgwick County Clerk; and

WHEREAS, the budget proposed by the Governing Body of the City of Clearwater will require the levy of a property tax rate exceeding the Revenue Neutral Rate; and

WHEREAS, the Governing Body held a hearing on August 25, 2026 allowing all interested taxpayers desiring to be heard an opportunity to give oral testimony; and

WHEREAS, the Governing Body of the City of Clearwater, having heard testimony, still finds it necessary to exceed the Revenue Neutral Rate.

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

The City of Clearwater shall levy a property tax rate exceeding the Revenue Neutral Rate of 48.923.

This resolution shall take effect and be in force immediately upon its adoption and shall remain in effect until future action is taken by the Governing Body.

ADOPTED by the Governing Body and Approved by the Mayor of the City of Clearwater, Kansas on this 25th day of August 2026.

Burt Ussery, Mayor

SEAL
ATTEST:

Jaye Poe, City Clerk

2027

NOTICE OF HEARING TO EXCEED REVENUE NEUTRAL RATE AND BUDGET HEARING

The governing body of
City of Clearwater
will meet on August 25, 2026 at 6:00 PM at 129 E Ross for the purpose of hearing and
answering objections of taxpayers relating to the proposed use of all funds, the amount of ad valorem tax and the Revenue Neutral Rate.
Detailed budget information is available at 129 E Ross and will be available at this hearing.

BUDGET SUMMARY

Proposed Budget 2027 Expenditures and Amount of Current Year Estimate for 2026 Ad Valorem Tax establish the maximum limits of the 2027 budget.
Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual for 2025		Current Year Estimate for 2026		Proposed Budget for 2027		
	Expenditures	Actual Tax Rate*	Expenditures	Actual Tax Rate*	Budget Authority for Expenditures	Amount of 2026 Ad Valorem Tax	Proposed Estimated Tax Rate*
General	3,643,570	51.110	3,425,815	43.976	4,652,351	1,338,412	45.657
Debt Service	345,186	1.910	480,721	3.114	602,074	50,153	1.711
Library	146,124	5.496	168,160	5.605	175,884	156,167	5.327
Library Emp Ben (202)			2		200		
Emp Ben (203)			15		200		
Sp Build (212)			12		170		
Sp Liability (205)			2		200		
Special Highway	150,000		138,000		150,000		
Special Parks (209)			5,000		51,000		
Dept on Aging (207)	34,958		35,430		35,060		
Ambulance (215)			10		200		
Water (501)	457,219		469,482		479,122		
Sewer (550)	502,649		511,482		436,876		
Non-Budgeted Funds	1,654,724						
Totals	6,934,430	58.516	5,234,131	52.695	6,583,336	1,544,733	52.695
Revenue Neutral Rate**							48.923

Less: Transfers	1,629,575		1,060,896		1,272,291	
Net Expenditure	5,304,855		4,173,235		5,311,045	
Total Tax Levied	1,434,153		1,434,158		xxxxxxxxxxxxxxxxxxxx	
Assessed Valuation	24,508,825		27,216,093		29,314,635	

Outstanding Indebtedness, January 1,	2024	2025	2026
G.O. Bonds	2,860,000	2,635,000	4,156,000
Revenue Bonds	0	0	0
Other	0	0	0
Lease Purchase Principal	779,034	727,142	0
Total	3,639,034	3,362,142	4,156,000

*Tax rates are expressed in mills

** Revenue Neutral Rate as defined by KSA 79-2988

Courtney Zollinger

City Official Title: Treasurer

**City of Clearwater
City Council Meeting
August 25, 2026**

CD for Street Project Funds

Context: The City has set aside in Eq Reserve \$854,000 to pay towards the street reconstruction bond. The funds were from prior year sales tax, interest, budgeted contributions for the project. The project was under budget and there is \$750,000 left over that will need to be returned next October. In the meantime, we can invest the two balances in a 9 month CD at 3.45%. Currently the city has a 2.74% on the checking account. The city would gain just under \$8,500 more in interest with the CD in 9 months.

Financial: Current 9-month rate on municipal CD's is 3.45%. The city would gain around \$8,400 more in interest with the CD than in the checking account.

Legal Considerations: Review and comment as necessary

Recommendations/Actions: Authorize the Clerk to place the money in a CD for 9 months with Emprise Bank.

**City of Clearwater
City Council Meeting
August 21, 2026**

Emprise Lease for Fire Department 2027 Tender

Context: At the February 10, 2026, meeting the city council approved the purchase of a 2000 gallon tender from Emergency Fire and on February 24th approved to use Emprise Bank to help fund the tender.

Financial: The purchase price for the tender is \$364,979.00. 50% was required to put down for the tender and that amount was paid using equipment reserve funds. There is \$275,000 in equipment reserve fire for trucks. \$182,489.50 has been used for the down payment.

The city will finance \$90,000 for the balance of the truck through Emprise at 4.5% for a 60 month note. The Council may pay off the note sooner than 5-years and has budgeted to do just that.

Legal Considerations: Emprise has provided their equipment lease purchase agreement. Please comment as necessary.

Recommendations/Actions: Authorize the mayor to sign the Equipment Lease Purchase Agreement between Emprise Bank and City of Clearwater.

EQUIPMENT LEASE PURCHASE AGREEMENT

BETWEEN

**EMPRISE BANK,
As Lessor**

AND

**City of Clearwater,
As Lessee**

Dated: August 31, 2026

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EQUIPMENT LEASE PURCHASE AGREEMENT

THIS EQUIPMENT LEASE PURCHASE AGREEMENT (the “Agreement”), dated as of August 31, 2026, between **EMPRISE BANK**, a Kansas state banking corporation, as Lessor (“Lessor”), and **City of Clearwater**, a governmental and political subdivision existing under the laws of the State of Kansas, as Lessee (“Lessee”),

WITNESSETH:

WHEREAS, Lessor desires to lease the Equipment, as hereinafter described, to Lessee, and Lessee desires to lease the Equipment from Lessor subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, Lessee is authorized under the constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

“Agreement” means this Equipment Lease Purchase Agreement and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, together with any amendments to this Agreement.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commencement Date” is the date when the term of this Agreement and Lessee’s obligation to pay rent commences, which date will be the earlier of (i) the date on which the Equipment is accepted by Lessee in the manner described in **Section 5.01**, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an escrow agent.

“Contract” means any contract or contract with the Vendor for the acquisition and installation of the Equipment.

“Equipment” means the property described on the Equipment Schedule attached hereto as **Exhibit A**, and all replacements, repairs, restorations, modifications and improvements thereof or thereto.

“Event of Default” means an Event of Default described in **Section 12.01**.

“Issuance Year” is the calendar year in which the Commencement Date occurs.

“Lease Term” means the Original Term and all Renewal Terms, but ending on the occurrence of the earliest event specified in **Section 3.03**.

“Lessee” means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

“Lessor” means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

“Maximum Lease Term” means the Original Term and all Renewal Terms through the Renewal Term including the last Rental Payment Date set forth on the Payment Schedule.

“Net Proceeds” means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys’ fees) incurred in the collection of such claim or award.

“Original Term” means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

“Payment Schedule” means the schedule of Rental Payments and Purchase Price set forth on **Exhibit B**.

“Purchase Price” means the amount that Lessee may, at its option, pay to Lessor to purchase the Equipment, as set forth on the Payment Schedule.

“Renewal Terms” means the optional renewal terms of this Agreement, each having a duration of one year and a term co-extensive with Lessee’s fiscal year.

“Rental Payments” means the basic rental payments payable by Lessee pursuant to **Section 4.01**.

“State” means the State of Kansas.

“Vendor” means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment, as listed on **Exhibit A**.

ARTICLE II

REPRESENTATIONS AND COVENANTS OF LESSEE

Section 2.01. Representations and Covenants of Lessee. Lessee represents, warrants and covenants for the benefit of Lessor:

(a) Lessee is a governmental and political subdivision duly organized and existing under the constitution and laws of the State. Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a body corporate and politic. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power.

(b) Lessee is authorized under the constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

(c) Lessee has been duly authorized to execute and deliver this Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

(d) This Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the Commencement Date.

(f) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term, and such funds have not been expended for other purposes.

(g) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(h) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder.

(i) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement.

(j) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.

(k) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.

(l) The Equipment described in this Agreement is essential to the function of Lessee or to the service Lessee provides to its citizens. Lessee has an immediate need for, and expects to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of Lessee's authority.

(m) Neither the payment of the Rental Payments hereunder nor any portion thereof is (i) secured by any interest in property used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code) or in payments in respect of such property

or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code). No portion of the Equipment will be used directly or indirectly in any trade or business carried on by any non-exempt person (within the meaning of Section 103 of the Code).

(n) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(o) Lessee will use the proceeds of this Agreement as soon as practicable and with all reasonable dispatch for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement will be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of this Agreement, would have caused any portion of this Agreement to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

[(p) Lessee hereby designates this Agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed \$10,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including this Agreement but excluding private activity bonds other than qualified 501(c)(3) bonds) during the Issuance Year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the designation of this Agreement as a "qualified tax-exempt obligation" will not be adversely affected.]

[(q) Lessee represents and warrants that it is a governmental unit under the laws of the State with general taxing powers; this Agreement is not a private activity bond as defined in Section 141 of the Code; 95% or more of the net proceeds of this Agreement will be used for local governmental activities of Lessee; and the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued or to be issued by Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed \$5,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$5,000,000 of tax-exempt bonds (including this Agreement but excluding private activity bonds) during the Issuance Year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the excludability of the interest on this Agreement from gross income for federal tax purposes will not be adversely affected.]

(r) The capital cost that would be required to purchase the Equipment if paid for by cash would be \$364,979.00.

(s) The annual average effective interest cost of this Agreement is 4.50% per annum or \$2,092.48 as set forth on the Payment Schedule.

(t) \$350.00 is included in Rental Payments (assuming continuation of this Agreement through the Maximum Lease Term) for service, maintenance, insurance and other charges exclusive of capital cost and interest cost.

Section 2.02. Certification as to Arbitrage. Lessee hereby represents as follows:

- (a) The estimated total costs of the Equipment will not be less than the total principal portion of the Rental Payments.
- (b) The Equipment has been ordered or is expected to be ordered within six months of the Commencement Date, and the Equipment is expected to be delivered and installed, and the Vendor fully paid, within eighteen months of the Commencement Date.
- (c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments.
- (d) The Equipment has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments.
- (e) To the best of our knowledge, information and belief, the above expectations are reasonable.

ARTICLE III

LEASE OF EQUIPMENT

Section 3.01. Lease of Equipment. Lessor hereby demises, leases and lets the Equipment to Lessee, and Lessee rents, leases and hires the Equipment from Lessor, in accordance with the provisions of this Agreement, for the Lease Term.

Section 3.02. Lease Term. The Original Term of this Agreement will commence on the Commencement Date and will terminate on the last day of Lessee's current fiscal year. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for an additional Renewal Term up to the Maximum Lease Term. At the end of the Original Term and at the end of each Renewal Term until the Maximum Lease Term has been completed, Lessee will be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee has terminated this Agreement pursuant to **Section 3.03** or **Section 10.01**. The terms and conditions during any Renewal Term will be the same as the terms and conditions during the Original Term, except that the Rental Payments will be as provided in the Payment Schedule.

Section 3.03. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:

- (a) the expiration of the Original Term or any Renewal Term of this Agreement and the nonrenewal of this Agreement in the event of nonappropriation of funds pursuant to **Section 3.05**;
- (b) the exercise by Lessee of the option to purchase the Equipment granted under the provisions of **Article X** and payment of the Purchase Price and all amounts payable in connection therewith;

(c) a default by Lessee and Lessor's election to terminate this Agreement under **Article XII**; or

(d) the payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder during the Maximum Lease Term.

Section 3.04. Continuation of Lease Term. Lessee currently intends, subject to the provisions of **Section 3.05** and **Section 4.04**, to continue the Lease Term through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The responsible financial officer of Lessee will do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend this Agreement for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

Section 3.05. Nonappropriation. Lessee is obligated only to pay such Rental Payments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. In the event sufficient funds will not be appropriated or are not otherwise legally available to pay the Rental Payments required to be paid in the next occurring Renewal Term, as set forth in the Payment Schedule, this Agreement will be deemed to be terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice will not extend the Lease Term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee agrees, at Lessee's cost and expense, to peaceably deliver the Equipment to Lessor at the location or locations specified by Lessor.

ARTICLE IV

RENTAL PAYMENTS

Section 4.01. Rental Payments. Lessee will pay Rental Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor in the amounts and on the dates set forth on the Payment Schedule. Rental Payments will be in consideration for Lessee's use of the Equipment during the fiscal year in which such payments are due. Any Rental Payment not received on or before its due date will bear interest at the rate of 10% per annum or the maximum amount permitted by law, whichever is less, from its due date.

Section 4.02. Interest Component. As set forth on the Payment Schedule, a portion of each Rental Payment is paid as, and represents payment of, interest.

Section 4.03. Rental Payments To Be Unconditional. Except as provided in **Section 3.05**, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the equipment or any accident, condemnation or unforeseen circumstances.

Section 4.04. Rental Payments to Constitute a Current Expense of Lessee. The obligation of Lessee to pay Rental Payments hereunder will constitute a current expense of Lessee, are from year to year and do not constitute a mandatory payment obligation of Lessee in any fiscal year beyond the then current fiscal year of Lessee. Lessee's obligation hereunder will not in any way be construed to be an indebtedness of Lessee in contravention of any applicable constitutional[, charter] or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor will anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of Lessee.

ARTICLE V

EQUIPMENT

Section 5.01. Delivery, Installation and Acceptance of the Equipment. Lessee will order the Equipment, cause the Equipment to be delivered and installed at the location specified on **Exhibit A** and pay any and all delivery and installation costs in connection therewith. When the Equipment has been delivered and installed, Lessee will immediately accept the Equipment and evidence said acceptance by executing and delivering to Lessor an acceptance certificate in substantially the form set forth in **Exhibit C** or other form acceptable to Lessor. After it has been installed, the Equipment will not be moved from the location specified on **Exhibit A** without Lessor's consent, which consent will not be unreasonably withheld.

Section 5.02. Enjoyment of Equipment. Lessor hereby covenants to provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term, and Lessee will peaceably and quietly have and hold and enjoy the Equipment during the Lease Term, without suit, trouble or hindrance from Lessor, except as otherwise expressly set forth in this Agreement.

Section 5.03. Right of Inspection. Lessor will have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

Section 5.04. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee will obtain all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body; provided, however, that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under this Agreement.

Section 5.05. Maintenance of Equipment. Lessee agrees that it will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition. Lessor will have no responsibility to maintain, or repair or to make improvements or additions to the Equipment. If requested to do so by Lessor, Lessee will enter into a maintenance contract for the Equipment with Vendor.

ARTICLE VI

TITLE TO EQUIPMENT; SECURITY INTEREST

Section 6.01. Title to the Equipment. During the Lease Term, title to the Equipment and any and all additions, repairs, replacements or modifications will vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title will thereafter immediately and without any action by Lessee vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor upon (a) any termination of this Agreement other than termination pursuant to **Section 10.01** or (b) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee will, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer. Lessee, irrevocably designates, makes, constitutes and appoints Lessor and its assignee as Lessee's true and lawful attorney (and agent in-fact) with power, at such time of termination or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's or such assignee's name, to endorse the name of Lessee upon any bill of sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the Equipment in order to vest title in Lessor and transfer possession to Lessor.

Section 6.02. Security Interest. To secure the payment and performance of all of Lessee's obligations under this Agreement and to the extent permitted by law, Lessor retains a security interest constituting a first lien on the Equipment and on all additions, attachments and accessions thereto and substitutions therefor and proceeds therefrom. Lessee agrees to execute such additional documents in form satisfactory to Lessor, that Lessor deems necessary or appropriate to establish and maintain its security interest. Lessee agrees that financing statements may be filed with respect to the security interest granted herein.

Section 6.03. Personal Property. Lessor and Lessee agree that the Equipment is and will remain personal property. The Equipment will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to such real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

ARTICLE VII

ADDITIONAL COVENANTS

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee will keep the Equipment free and clear of all liens, charges and encumbrances, except those created under this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all property taxes. If the use, possession or acquisition of the Equipment is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Equipment. Lessee will pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee will pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee will be obligated to pay only such installments that accrue during the Lease Term.

Section 7.02. Insurance. At its own expense, Lessee will maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b). All insurance proceeds from casualty losses will be payable as hereinafter provided. Lessee will furnish to Lessor certificates evidencing such coverage throughout the Lease Term.

All such casualty and liability insurance will be with insurers that are acceptable to Lessor, will name Lessee and Lessor as insureds and will contain a provision to the effect that such insurance will not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or modification. All such casualty insurance will contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear.

Section 7.03. Advances. In the event Lessee fails to maintain the insurance required by this Agreement or fails to keep the Equipment in good repair and operating condition, Lessor may (but will be under no obligation to) purchase the required policies of insurance and pay the premiums on the same and make such repairs or replacements as are necessary and pay the cost thereof. All amounts so advanced by Lessor will become additional rent for the then current Original Term or Renewal Term. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 10% per annum or the maximum permitted by law, whichever is less.

Section 7.04. Financial Information. Lessee will annually provide Lessor with current financial statements, budgets, proofs of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be requested by Lessor.

Section 7.05. Release and Indemnification. To the extent permitted by law, Lessee will indemnify, protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith (including, without limitation, counsel fees and expenses and any federal income tax and interest and penalties connected therewith imposed on interest received) arising out of or as the result of (a) the entering into this Agreement, (b) the ownership of any item of the Equipment, (c) the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, (d) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury or death to any person or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph will continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

ARTICLE VIII

DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

Section 8.01. Risk of Loss. Lessee assumes, from and including the Commencement Date, all risk of loss of or damage to the Equipment from any cause whatsoever. No such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof will relieve Lessee of the obligation to make Rental Payments or to perform any other obligation under this Agreement.

Section 8.02. Damage, Destruction and Condemnation. If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other loss or casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the interest of Lessee or Lessor in the Equipment or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment, unless Lessee has exercised its option to purchase the Equipment pursuant to **Section 10.01**. Any balance of the Net Proceeds remaining after such work has been completed will be paid to Lessee.

Section 8.03. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, replacement, restoration, modification or improvement referred to in **Section 8.01**, Lessee will either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) purchase Lessor's interest in the Equipment pursuant to **Section 10.01**. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing the Equipment will be retained by Lessee. If Lessee will make any payments pursuant to this Section, Lessee will not be entitled to any reimbursement therefor from Lessor nor will Lessee be entitled to any diminution of the amounts payable under **Article IV**.

ARTICLE IX

WARRANTIES

Section 9.01. Disclaimer of Warranties. *LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE OF THE EQUIPMENT OR AGAINST INFRINGEMENT, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OR MAINTENANCE OF ANY EQUIPMENT OR SERVICES PROVIDED FOR IN THIS AGREEMENT.*

Section 9.02. Vendor's Warranties. Lessee may have rights under the contract evidencing the purchase of the Equipment; Lessee is advised to contact the Vendor for a description of any such rights. Lessor hereby assigns to Lessee during the Lease Term all warranties running from Vendor to Lessor. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee will not be in default hereunder, to assert from time to time whatever claims and rights (including

without limitation warranties) related to the Equipment that Lessor may have against the Vendor. Lessee's sole remedy for the breach of any such warranty, indemnification or representation will be against the Vendor, and not against Lessor. Any such matter will not have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties by the Vendor.

ARTICLE X

OPTION TO PURCHASE

Section 10.01. Purchase Option. Lessee will have the option to purchase the Equipment, in whole, but not in part, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms:

(a) On [any date], upon payment in full of the Rental Payments then due hereunder plus the accrued interest component of Rental Payments to the purchase date plus any other amounts then due hereunder plus the then applicable Purchase Price to Lessor; or

[(b) In the event of substantial damage to or destruction or condemnation (other than by Lessee or any entity controlled by or otherwise affiliated with Lessee) of substantially all of the Equipment, on the day Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payments then due hereunder plus the accrued interest component of Rental Payments to the purchase date plus any other amounts then due hereunder plus the then applicable Purchase Price to Lessor.]

Upon the exercise of the option to purchase set forth above including payment of all amounts due, title to the Equipment will be vested in Lessee, free and clear of any claim by or through Lessor.

Section 10.02. Determination of Fair Purchase Price. Lessee and Lessor hereby agree and determine that the Rental Payments hereunder during the Original Term and each Renewal Term represent the fair value of the use of the Equipment and that the amount required to exercise Lessee's option to purchase the Equipment pursuant to **Section 10.01** represents, as of the end of the Original Term or any Renewal Term, the fair purchase price of the Equipment. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew this Agreement or to exercise its option to purchase the Equipment hereunder. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Equipment, (b) the uses and purposes for which the Equipment will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Agreement, and (d) Lessee's option to purchase the Equipment. Lessee hereby determines and declares that the acquisition and installation of the Equipment and the leasing of the Equipment pursuant to this Agreement will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by Lessee other than pursuant to this Agreement. Lessee hereby determines and declares that the Maximum Lease Term does not exceed the useful life of the Equipment.

ARTICLE XI

ASSIGNMENT AND SUBLEASING

Section 11.01. Assignment by Lessor. Lessor's interest in, to and under this Agreement and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor without the necessity of obtaining the consent of Lessee; provided that any assignment will not be effective until Lessee has received written notice, signed by the assignor, of the name, address and tax identification number of the assignee. Lessee will retain all such notices as a register of all assignees and will make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Equipment and in this Agreement and agrees to the filing of financing statements with respect to the Equipment and this Agreement. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim or other right Lessee may have against Lessor.

Section 11.02. Assignment and Subleasing by Lessee. None of Lessee's right, title and interest in, to and under this Agreement and in the Equipment may be assigned or encumbered by Lessee for any reason, except that Lessee may sublease all or part of the Equipment if Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor that such subleasing will not adversely affect the exclusion of the interest components of the Rental Payments from gross income for federal income tax purposes. Any such sublease of all or part of the Equipment will be subject to this Agreement and the rights of Lessor in, to and under this Agreement and the Equipment.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.01. Events of Default Defined. Subject to the provisions of **Section 3.05**, any of the following will be "Events of Default" under this Agreement:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in **Section 12.01(a)**, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Lessee by Lessor, unless Lessor will agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance will prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(d) Any provision of this Agreement will at any time for any reason cease to be valid and binding on Lessee, or will be declared to be null and void, or the validity or enforceability thereof will be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee will deny that it has any further liability or obligation under this Agreement;

(e) Lessee will (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(f) An order, judgment or decree will be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree will continue unstayed and in effect for any period of 30 consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Lessor will have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating this Agreement, Lessor may enter the premises where the Equipment is located and retake possession of the Equipment or require Lessee at Lessee's expense to promptly return any or all of the Equipment to the possession of Lessor at a place specified by Lessor, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation, all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers' and attorneys' fees); and

(c) Lessor may take whatever other action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

In addition, Lessee will remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be

construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it will not be necessary to give any notice, other than such notice as may be required in this Article.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Notices. All notices, certificates or other communications hereunder will be sufficiently given and will be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto will designate in writing to the other for notices to such party), to any assignee at its address as it appears on the register maintained by Lessee.

Section 13.02. Binding Effect. This Agreement will inure to the benefit of and will be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 13.04. Entire Agreement. This Agreement constitutes the entire agreement between Lessor and Lessee.

Section 13.05. Amendments. This Lease may be amended, changed or modified in any manner by written agreement of Lessor and Lessee. Any waiver of any provision of this Lease or any right or remedy hereunder must be affirmatively and expressly made in writing and will not be implied from inaction, course of dealing or otherwise.

Section 13.06. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 13.07. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 13.08. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State. This Agreement is intended to constitute a valid "lease-purchase agreement" as defined in K.S.A. 10-1116b, and this Agreement is subject to and governed by the terms of Kansas law and shall be construed to the greatest extent possible as complying with the terms thereof. Lessee is obligated only to pay periodic payments or monthly installments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's current budget year.

Section 13.09. Electronic Transactions. The parties agree that 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.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their corporate names by their duly authorized officers as of the date first above written.

EMPRISE BANK

By: _____
Scott Longnecker
257 N Broadway, Wichita KS 67202

City of Clearwater

By: _____
Burt Ussery, Mayor

[SEAL]

ATTEST:

By: _____
Jaye Poe, City Clerk

CERTIFICATE OF [CLERK/SECRETARY] OF LESSEE

I, the undersigned, do hereby certify (i) that the officer of Lessee who executed the foregoing Agreement on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath his or her signature and has been authorized to execute the foregoing Agreement on behalf of Lessee, and (ii) that the budget year of Lessee is from January 1, 2026 to December 31, 2026.

DATED: August 31, 2026.

Jaye Poe, City Clerk

EXHIBIT A TO EQUIPMENT LEASE PURCHASE AGREEMENT

EQUIPMENT SCHEDULE

Description:

Quantity	Description	Model #	Serial #
1	Tender, 2000 Gal INTL 1000 GPM Pump Poly Body and Tank	200094056	

The Equipment described above is located at the following address: _____

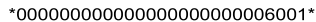
Name and address of Vendor: _____

EXHIBIT B TO EQUIPMENT LEASE PURCHASE AGREEMENT

PAYMENT SCHEDULE

Rental payments will be made in accordance with **Section 4.01** and the attached Payment Schedule. Commencement Date: August 31, 2026

Interest rate used to calculate Interest Portions of Rental Payments: 4.50%



Principal \$90,000.00	Loan Date 08-31-2026	Maturity 03-15-2031	Loan No	Call / Coll	Account	Officer	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Lender: Emprise Bank
Emprise Bank Center
257 N. Broadway
P.O. Box 2970
Wichita, KS 67201-2970
(316) 383-4301

Repayment Schedule: Installment
Calculation Method: 365/365 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	03-15-2027	20,092.49	2,174.79	17,917.70	72,082.30
2	03-15-2028	20,092.49	3,243.70	16,848.79	55,233.51
3	03-15-2029	20,092.49	2,485.51	17,606.98	37,626.53
4	03-15-2030	20,092.49	1,693.19	18,399.30	19,227.23
5	03-15-2031	20,092.46	865.23	19,227.23	0.00
TOTALS:		100,462.42	10,462.42	90,000.00	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

EXHIBIT C TO EQUIPMENT LEASE PURCHASE AGREEMENT

FORM OF ACCEPTANCE CERTIFICATE

Emprise Bank
257 N. Broadway
Wichita, KS 67201-2970

Re: Equipment Lease Purchase Agreement, dated as of August 31, 2026 (the “Agreement”),
between Emprise Bank (“Lessor”) and City of Clearwater (“Lessee”)

Ladies and Gentlemen:

In accordance with the Agreement, the undersigned Lessee hereby certifies and represents to,
and agrees with, Lessor as follows:

(1) All of the Equipment (as defined in the Agreement) has been delivered,
installed and accepted on the date hereof.

(2) Lessee has conducted such inspection and/or testing of the Equipment as it
deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all
purposes.

(3) Lessee is currently maintaining the insurance coverage required by **Section 7.02**
of the Agreement.

(4) No event or condition that constitutes, or with notice or lapse of time, or both,
would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

DATED: _____

City of Clearwater
LESSEE

By: _____
Burt Ussery, Mayor

**City of Clearwater
City Council Meeting
August 25, 2026**

Urban Growth Area of Influence Discussion

Context: Clearwater's Comprehensive Development Plan was adopted in July 2022. The plan addressed both the Clearwater Planning Area and the Urban Growth Area (UGA).

Planning Area:

The designation of a Planning Area recognizes that the City's activities both affect and are affected by the surrounding region. Delineating a Planning Area does not create a regulatory boundary as such but instead identifies an area which has an influence on the planning and development of the City, and which therefore should be studied as part of what State statutes refer to as the "total community of which the City is a part".

Map 1

Urban Growth Area:

*A city's Urban Growth Area serves as a reasonable indication as to where the future efficient extension of **public municipal services** and **city limits** could occur by the year **2035**. The City is specifically notified by the Wichita/Sedgwick County Planning Department of any zoning changes that are proposed within its UGA, which defines its **Urban Area of Influence**.*

Map 2

Discussion

The plan identified the City's existing UGA, established through the Wichita-Sedgwick County Community Investments Plan, was not sufficient for Clearwater's expected development through 2040. It identifies potential expansion and directs the City to approach the Metropolitan Area Planning Department (MAPD) to begin the process for establishing an expanded UGA.

The City contacted MAPD about revising Clearwater's UGA. MAPD advised that it was preparing an update to the Wichita-Sedgwick County Comprehensive Plan and expected to work with the surrounding cities to review their growth opportunities and UGA boundaries. That review with Clearwater has not yet occurred.

More recently, the Board of County Commissioners considered a conditional use request for a solar energy project near Clearwater's city limits. The request was denied. During the meeting, commissioners encouraged Clearwater to revisit its UGA and pursue an amendment, so the City's position carries the formal review provided for projects located within its Urban Area of Influence.

While the Planning Area is for City purposes, the UGA does include the City in zoning discussions. Although it does not extend the City's zoning authority outside the city limits, it does ensure Clearwater is notified of zoning and conditional use applications within the UGA, and the Clearwater Planning Commission may hold a hearing and make a recommendation. The

current UGA is outlined in Blue on the Urban Growth Area map. If the Planning Commission recommends denial, approval by the County Commission requires a super-majority vote.

Discussion Points

1. **Boundary:** Review boundary as identified during the comprehensive plan review and determine if those boundaries remain sufficient or make suggested modifications. (example: How far should the UGA extend along 135th Street and 103rd Street, and should the corridor width be on each side?)
2. **Comprehensive Plan:** The 2022 plan supports expansion as shown on the map. If modifications are suggested, staff would need to confirm with MAPD whether the City's plan and maps must be formally amended before or as part of the UGA request.

Financial: Costs may be incurred later for mapping, publication, or other required amendment procedures.

Legal Considerations: Review and comment as necessary

Recommendations/Actions: Discuss the proposed UGA boundaries and provide direction to staff on the preferred corridor limits, the width on each side of the roadways, and whether to proceed with MAPD coordination and a possible comprehensive plan amendment.

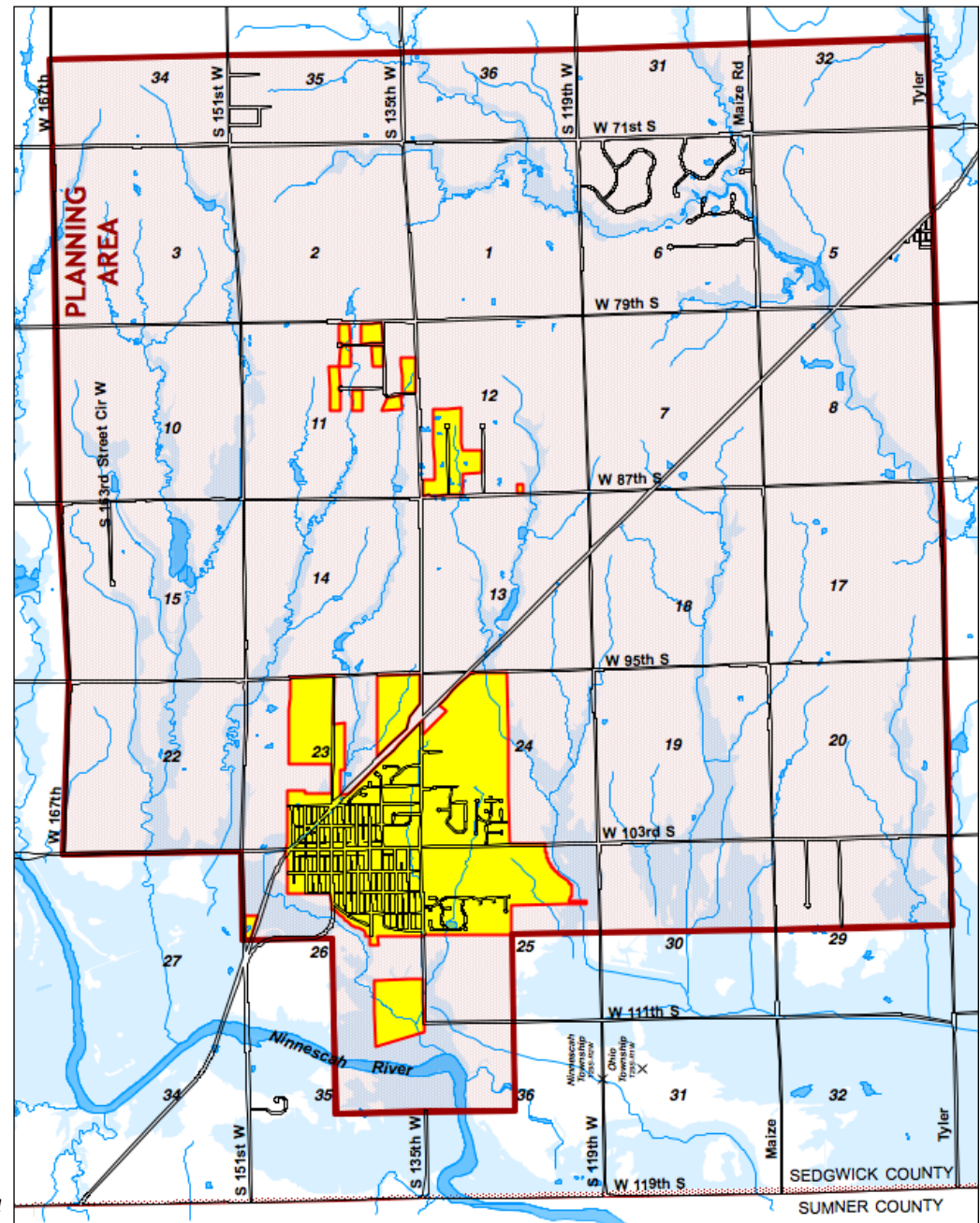
Clearwater Comprehensive Development Plan 2022-2042

As defined for this Plan, the Clearwater Planning Area is composed of the following land in Sedgwick County, Kansas:

- In Ninnescah Township (T29S, R2W)
 - South halves of Sections 34 through 36
 - Sections 1 through 3
 - Sections 10 through 15
 - Sections 22 through 24
 - North half and southwest quarter of Section 25
 - North half and southeast quarter of Section 26
 - Northeast quarter of Section 35
 - Northwest quarter of Section 36
- In Ohio Township (T29S, R1W)
 - South halves of Sections 31 and 32
 - Sections 5 through 8
 - Sections 17 through 20
 - North halves of Sections 29 and 30

Shown on the adjacent diagram, Clearwater's Planning Area covers about 25.5 square miles, extending a maximum of six miles north-to-south and five miles east-to-west. It encompasses areas of existing and likely future development near Clearwater, and avoids broad areas of floodplain near the Ninnescah River (shown on the diagram in light blue).

Clearwater Planning Area



URBAN GROWTH AREA

The adjacent diagram shows Clearwater's designated **Urban Growth Area (UGA)**, in blue diagonal lines. The City's current UGA was defined in 2015, as part of the [Community Investments Plan](#)—the Wichita/Sedgwick County Comprehensive Plan for 2015-2035. A city's Urban Growth Area serves as a reasonable indication as to where the future efficient extension of **public municipal services** and **city limits** could occur by the year 2035.

The City is specifically notified by the Wichita/Sedgwick County Planning Department of any zoning changes that are proposed within its UGA, which defines its **Urban Area of Influence**. The zoning implications of an Urban Area of Influence are discussed in more detail in Chapter 7 of this Plan, under the section entitled "[Zoning Regulations](#)".

During this planning process, City leaders have realized that Clearwater's existing UGA is not sufficient to meet the City's expected development through 2040. The area for a potential expanded UGA was identified, which is shown in pink on the adjacent diagram.

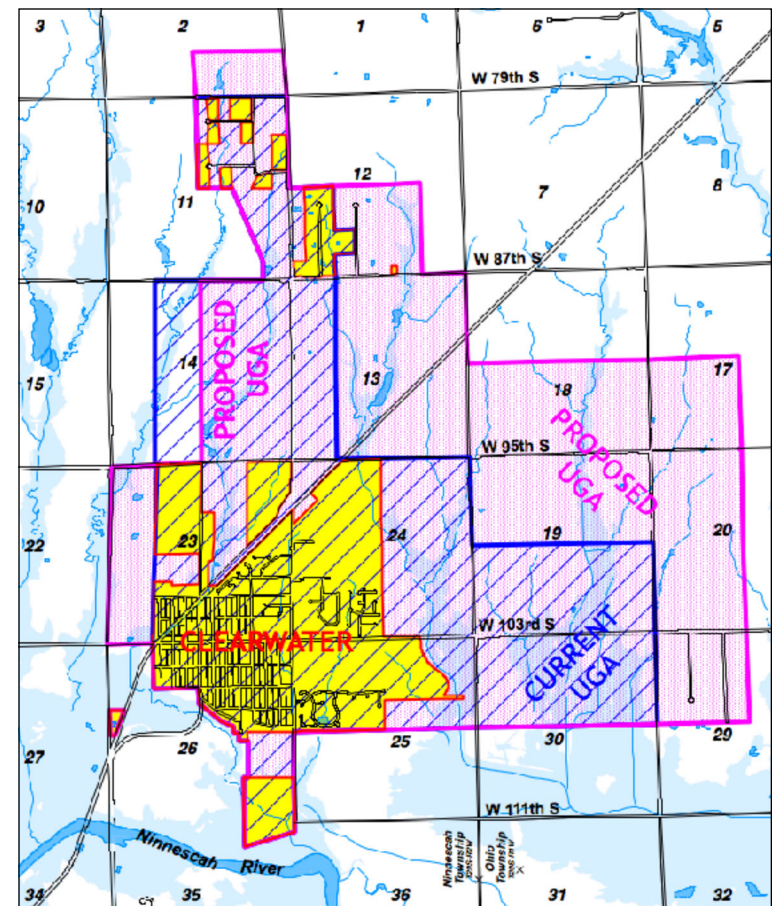
Factors Influencing Future Growth Among many factors that may influence the rate and extent of Clearwater's growth over the next 20 years, a state transportation project known as ARC95 is likely to have an appreciable impact.

The ARC95 project is a KDOT plan that includes construction of a bridge over the Arkansas River at 95th Street, as well as a grade-separated interchange over K-15 and the adjacent railroad tracks. Additional related projects may eventually create an improved highway connection west along 95th Street to 119th Street, and then north on 119th to Kellogg.

These projects may take 20 to 30 years to complete, but even in their early phases they are likely to stimulate development on Clearwater's east side. The potential impact of ARC95 is one of the major reasons justifying an expansion to Clearwater's UGA.

Potential Expansion of Urban Growth Area To ensure that proposed development which will directly affect the City can first be reviewed by the Planning Commission to assess its potential impact, Clearwater will request an expansion to its UGA.

Any city in Sedgwick County may seek to enlarge its UGA by making a request to the Metropolitan Area Planning Department. To be enacted, such a request must be reviewed by the Metropolitan Area Planning Commission and then approved by the Board of County Commissioners.



Clearwater's existing UGA and potential expansion