

APPENDIX A – CHARTER ORDINANCES

NOTE: The charter ordinances included herein are for information only. Each of them contains the substance as adopted by the governing body but enacting clauses, publication clauses and signatures have been omitted to conserve space. Complete copies of each charter ordinance as adopted are on file in the office of the city clerk and with the Kansas secretary of state. Date of passage by the governing body of each charter ordinance is shown in parentheses at the end of the text.

CHARTER ORDINANCE NO. L

A CHARTER ORDINANCE AMENDING K.S.A. 15-201, 1970 SUPPLEMENTAL RELATING TO ELECTION OF OFFICERS, TERMS, VACANCIES.

Section 1. A city election to elect the officers of the governing body shall be held the first Tuesday in April, 1971; and every two years thereafter on the first Tuesday in April.

Section 2. At the city election in 1971, there shall be elected five councilmen and a mayor who shall comprise the governing body of the City of St. Francis, Kansas. At said election the mayor shall be elected for a term of four years; of the five councilmen elected, the two elected councilmen receiving the highest number of votes shall serve for four year terms. The remaining three elected councilmen shall serve for two year terms.

Section 3. At the city election in 1973, there shall be elected three councilmen for a four year term. Thereafter, and at each election thereafter the official elected, whether mayor or councilman shall serve four year terms.
(1-5-71)

CHARTER ORDINANCE NO. 1

A CHARTER ORDINANCE RELATING TO THE IMPOSITION AND COLLECTION OF MUNICIPAL COURT COSTS AND RELATED FEES.

Section 1. The City of St. Francis, Kansas hereby elects to exempt itself from the provision of K.S.A. 12-4112, pursuant to Article 12, Section 5(c)(I), of the Kansas Constitution.

Section 2. That in lieu of K.S.A. 12-4112, the City of St. Francis, Kansas is authorized to adopt by regular ordinance a schedule of court costs and fees to be charged and collected in all actions and cases filed and docketed in the municipal court or traffic bureau.

Section 3. All court costs and fees provided by this charter ordinance are to be collected by the municipal court, or city clerk, and paid into the general fund of the City of St. Francis, Kansas.
(10-2-84)

CHARTER ORDINANCE NO. 2

A CHARTER ORDINANCE EXEMPTING THE CITY OF ST. FRANCIS, KANSAS FROM K.S.A. 79-5001 TO 79-5017, INCLUSIVE, AND ANY AMENDMENTS THERETO.

Section 1. The City of St. Francis, Kansas, by the power vested in it by Article 12, Section 5, of the Constitution of the State of Kansas, hereby elects to exempt itself and make inapplicable to it K.S.A. 79-5001 to 79-5017, inclusive, and any amendments thereto, which is an enactment of the legislature applicable to this city but which is not applicable uniformly to all cities.

Section 2. The provisions of K.S.A. 79-5001 to 79-5017, inclusive, and any amendments thereto, shall not apply to any taxes levied by the City of St. Francis, Kansas.
(10-8-85)

CHARTER ORDINANCE NO. 3

A CHARTER ORDINANCE EXEMPTING THE CITY OF ST. FRANCIS, KANSAS FROM THE PROVISION OF K.S.A. 79-1951, AND FROM K.S.A. 79-5021 THROUGH 75-5033 AS AUTHORIZED BY K.S.A. 79-5036, AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISIONS ON THE SAME SUBJECT AND REMOVING ANY LIMITATION OF TAX LEVY.
(4-3-90)

CHARTER ORDINANCE NO. 4

A CHARTER ORDINANCE REPEALING CHARTER ORDINANCE NO. 3 AND EXEMPTING THE CITY OF ST. FRANCIS, KANSAS, FROM THE PROVISIONS OF K.S.A. 79-1953, AND FROM K.S.A. 79-5021 THROUGH 74-5033 AS AUTHORIZED BY K.S.A. 79-5036, AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISION ON THE SAME SUBJECT AND REMOVING ANY LIMITATION OF TAXLEVY.

Section 1. In accordance with the authority granted to municipalities by Article 12, Section 5, of the constitution of the State of Kansas, the City of St. Francis, Kansas, hereby elects to exempt itself from and to make inapplicable to the City of St. Francis, Kansas, the provision of 79-1953, and from K.S.A. 79-5021 through 75-5033, and to provide substitute and additional provision as are set out in this ordinance.

Section 2. The governing body of the City of St. Francis, Kansas, is hereby authorized and empowered to levy taxes in each year for the general fund and other city purposes without limitations as to the rate of levy in any one year on each dollar of assessed valuations. Said provision shall include all the operations of the city except as limited by the provision of Section 3 of this ordinance. The governing body may levy an amount necessary to meet the requirements of this adopted budget.

Section 3. The levy for library purposes shall not exceed four mills.

Section 4. Charter Ordinance No. 3 is hereby repealed as it sets forth the wrong Kansas Statutes Annotated section applicable to the City of St. Francis, Kansas, a city of the third class.
(9-4-90)

CHARTER ORDINANCE NO. 5

A CHARTER ORDINANCE EXEMPTING THE CITY OF ST. FRANCIS, KANSAS, FROM THE PROVISIONS OF K.S.A. 25-2108 SO AS TO ELIMINATE THE NECESSITY OF A CITY PRIMARY ELECTION.

Section 1. That the City of St. Francis, Kansas, a city of the third class, which and by virtue of the power vested in it by Article 12, Section 5, of the Constitution of the State of Kansas hereby elects to exempt itself and does hereby exempt itself from the provision of K.S.A. 25-2108 of Kansas Statutes Annotated and makes said section in inapplicable to it insofar as said section pertains to the primary election of city officials.
(10-4-90)

CHARTER ORDINANCE NO. VI

A CHARTER ORDINANCE EXEMPTING THE CITY OF ST. FRANCIS, KANSAS FROM THE PROVISIONS OF K.S.A. 12-1222 AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISIONS ON THE SAME WHICH RELATE TO LIBRARY BOARD APPOINTMENTS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. FRANCIS, KANSAS:

Section 1. **ELECTION TO EXEMPT-** That the City of St. Francis, Kansas, by the power vested in it by Article 12, Section 5, of the Constitution of the State of Kansas, hereby elects to exempt itself from and make inapplicable to it the provisions of K.S.A. 12-1222 and provide substitute and additional provisions as hereinafter set forth in this ordinance. Such referenced provisions are either enactments or a part thereof which are applicable to this City and are not applicable uniformly to all cities.

Section 2. **SUBSTITUTE AND ADDITIONAL PROVISIONS-** That the City of St. Francis, Kansas, does hereby provide substitute and additional provisions on the same subject as follows, to-wit:

12-1222 City, and county township libraries; board; appointment; terms; eligibility; vacancies; expenses. Upon the establishment of a library under this act, the official head of a municipality shall appoint, with the approval of the governing body, a library board for such library. In the case of a county, except for Johnson County, or township library, five members shall be appointed, one for a term expiring the first April 30 following date of appointment, one for a term expiring the second April 30 following date of appointment, one for a term expiring the third April 30 following date of appointment, and two for terms expiring the fourth April 30 following date of appointment. In the case of a city library seven members shall be appointed, one for term expiring the first April 30

following date of appointment, two for terms expiring the second April 30 following date of appointment two for terms expiring the third April 30 following date of appointment, and two for terms expiring the fourth April 30 following date of appointment. In addition to the appointed members of the board, the official head of the municipality shall be ex officio a member of the library board with the same powers as the appointed members.

Upon the expiration of the term of members first appointed succeeding members shall be appointed in like manner for terms of four years. Members of library boards holding office at the effective date of this act shall continue to hold their offices until April 30 following the expiration of the terms for which appointed, and on or before May 1 following the first expiration of the term, a sufficient number shall be appointed by the official head of the municipality with the approval of the governing body for terms of four years to constitute a library board of the number of members prescribed by this act.

All members appointed to the library board shall be residents of the City of St. Francis, Kansas, or of the Unified School District Number 297. Vacancies occasioned by the removal from the City of St. Francis or from the boundaries of U.S.D. # 297, resignations or otherwise, shall be filled by appointment to the unexpired term. No person who has been appointed for two consecutive four year terms to a library board shall be eligible for further appointment to such board until two years after the expiration of the second term. Appointments made prior to the effective date of this act shall not be counted in determining eligibility for appointment hereunder. Members of the library board shall receive no compensation for their services as such, but shall be allowed their actual and necessary expenses in attending meetings and in carrying out their duties as members.

(6-20-1995)

CHARTER ORDINANCE NO. 2002-1

A CHARTER ORDINANCE EXEMPTING THE CITY OF ST. FRANCIS, KANSAS, FROM THE PROVISIONS OF K.S.A. 15-106; PROVIDING SUBSTITUTE PROVISIONS ON THE SAME SUBJECT AND AMENDING SECTION 204 OF ARTICLE 1 OF THE CODE OF THE CITY OF ST. FRANCIS, KANSAS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ST. FRANCIS, KANSAS:

Section 1. **Exemption-** The City of St. Francis, Kansas, by virtue of the power vested in it by Article 12, Section 5 of the Constitution of the State of Kansas, hereby elects to and does exempt itself and make inapplicable to it K.S.A. 15-106 which applies to this city but does not apply uniformly to all cities.

Section 2. **Regular and Special Meetings-** (a) Regular meetings of the governing body shall be held on the first and third Tuesday after the first Monday of each month at 7:30 p.m. In the event the regular meeting day shall fall on any legal holiday or any day observed as a holiday by the city offices, the governing body shall fix the succeeding day not observed as a holiday as a meeting day.

(b) Special meetings may be called by the mayor or acting mayor, on the written request of any three members of the governing body, specifying the object and purpose of such meeting, which request shall be read at a meeting and entered at length on the journal.

(c) Regular or special meetings of the governing body may be adjourned for the completion of its business at such subsequent time and place as the governing body shall determine in its motion to adjourn.

(Restatement of Section 1-203 of the 1994 Code of the City of St. Francis, Kansas)

Section 3. **Quorum-** In all cases it shall require four of the five councilmembers elect to constitute a quorum to do business; but a smaller number may adjourn from day to day and may compel the attendance of absent members in such manner and under such penalties as the council, by ordinance, may have previously prescribed.

(Amendment of Section 1-204 of the 1994 Code of the City of St. Francis, Kansas)
(4-2-2002)

CHARTER ORDINANCE NO. 2004-1

A CHARTER ORDINANCE EXEMPTING THE CITY OF ST. FRANCIS, KANSAS, FROM THE PROVISIONS OF K.S.A. 12-1696 TO 12-16101, INCLUSIVE, AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISIONS ON THE SAME SUBJECT, RELATING TO THE LEVY OF A TRANSIENT GUEST TAX FOR TOURISM AND CONVENTIONS.

BE IT ORDAINED BY THE GOVERNMENT BODY OF THE CITY OF ST. FRANCIS, KANSAS:

Section 1. The City of St. Francis, Kansas, by virtue of the power vested in it by Article 12, Section 5 of the Constitution of the State of Kansas, hereby elects to exempt itself from and makes inapplicable to it the provisions of K.S.A. 12-1696 to 12-16101, inclusive, and to provide substitute and additional provisions as hereinafter set forth in this ordinance. The referenced provisions are either enactments, or parts thereof, which are applicable to this city, but are not applicable uniformly to all cities.

Section 2. As used in this ordinance, the following words and phrases shall be defined as follows:

(a) 'Person' means an individual, firm, partnership, corporation, joint venture or other association of persons;

(b) 'Hotel or motel' means any structure or building which contains rooms furnished for the purposes of providing lodging, which may or may not also provide meals, entertainment or various other personal services to transient guests, and which is kept, used, maintained, advertised or held out to the public as a place where sleeping accommodations are sought for pay or compensation by transient or permanent guests;

(c) 'Transient guest' means a person who occupies a room in a hotel or motel for not more than 28 consecutive days;

(d) 'Hotel or motel business' means any person engaged in the business of renting, leasing or letting quarters, sleeping accommodations, rooms or a part thereof in connection with any hotel or motel;

(e) 'Tourism' means the practice of touring or traveling for recreation, business or education;

(f) 'Touring' means a trip, excursion or circular journey for business, recreation or education;

(g) 'Bed and breakfast' means any person engaged in offering a sleeping room or rooms, the cost of which includes a breakfast on a regular basis. This may be in their home or in a separate house or dwelling.

Section 3. A transient guest tax shall be levied in the City of St. Francis, Kansas, at a rate of three percent (3%) upon the gross rental receipts derived from or paid by transient guests for lodging or sleeping accommodations, exclusive of charges for incidental services or facilities, in any hotel, motel or bed and breakfast. The percentage and effective date of such tax shall be determined by the Governing Body.

Section 4. The transient guest tax levied pursuant to this ordinance shall be based upon the gross rental receipts collected by any hotel, motel or bed and breakfast business.

Section 5. The tax levied pursuant to this ordinance shall be paid by the consumer or user to the hotel, motel or bed and breakfast business and it shall be the duty of each and every such business to collect from the consumer or user the full amount of any such tax, or an amount equal as nearly possible or practicable to the average equivalent thereto. Each hotel, motel or bed and breakfast business collecting the tax levied thereunder shall be responsible for paying it over to the State Department of Revenue in the manner prescribed by K.S.A. 12-1698, and any amendments thereto, and the State Department of Revenue shall administer and enforce the collection of such tax as provided therein.

Section 6. The tax levied and collected pursuant to Section 3 of this ordinance shall become due and payable in the manner prescribed by K.S.A. 12-1698, and amendments thereto, except that all taxes remaining after the two percent (2%) deduction for expenses of the Department of Revenue in administration and enforcement of the collection thereof shall be remitted to the City of St. Francis, and shall be credited to the 'Tourism and Convention Fund' hereinafter established and shall only be expended out of said fund as hereinafter provided.

Section 7. A 'Tourism and Convention Fund' is hereby established to receive disbursements of money from the Secretary of Revenue of the State of Kansas, as provided in subsection (e) of K.S.A. 12-1698.

Section 8. Moneys in the 'Tourism and Convention Fund' shall only be expended as follows:

(a) The Convention and Tourism Bureau hereinafter established shall annually consider all requests for expenditure of transient guest tax funds, and shall prepare a budget of expenditures for each year to be submitted to the Governing Body for its approval and action.

(b) The Governing Body shall consider the expenditures proposed from the Tourism and Convention Fund by the Convention and Tourism Bureau, and shall adopt a budget of such expenditures which may vary from the proposal of the Convention and Tourism Bureau in the discretion of the Governing Body. The Governing Body may at any time seek further advice and recommendations from the convention and Tourism Bureau regarding such expenditures but reserves the exclusive authority to make final decisions on them.

(c) Such funds may be used:

- (1) to contract with any agency, organization or group of firms to promote conventions and tourism within the City and its environs;
- (2) to provide for the operation, maintenance, expansion or development of City facilities connected with convention and tourism;
- (3) to defray the cost of providing municipal services to convention and tourism functions, including police, fire, street department or park and recreation department functions;

- (4) to create innovative projects and activities promoting conventions and tourism;
- (5) to promote the general economic welfare of the City and its environs, including the attraction of industry.

Section 9. A 'Convention and Tourism Bureau' is hereby established to advise the Governing Body and make recommendations concerning programs and expenditures for conventions and tourism. The Bureau shall consist of three (3) members appointed by the Mayor and confirmed by the City Council. Initially, one member shall be appointed to a term ending June 1, 2005; one member shall be appointed to a term ending June 1, 2006; and one member shall be appointed to a term ending June 1, 2007. Thereafter, at the expiration of the terms of the original members, their successors shall be appointed for terms of three (3) years each and each shall serve until a successor is appointed. Any vacancies in the membership of the Bureau shall be filled by the appointment of a new member as in the case of the original appointment, to fill the unexpired term of the member whose office is vacant.

Section 10. Membership of the Convention and Tourism Bureau shall be as follows:

- (a) One from owners, operators or employees of persons engaged in the hotel or motel business within the City, whether such member resides inside or outside the City;
- (b) One from owners, operators or employees of person engaged in the retail business within the City, whether such member resides inside or outside the City;
- (c) One from the Chamber of Commerce or Economic Development Organization in the City of St. Francis.

In making appointments to the Bureau, the Mayor shall designate which group the appointed member is to represent. The Bureau shall hold regular meetings at a time and place to be established by them, subject to approval of the Governing Body. All meetings shall be open to the public. The Bureau shall elect a chairman and secretary, which shall also be the vice-chairman. No members of the Bureau shall receive any compensation for service thereon. Any member who is absent for three consecutive regular meetings or four meeting within one year with no reasonable excuse shall be deemed to have resigned, and a successor shall be appointed. The reasonableness of the excuse shall be determined by the Governing Body.

Section 11. The City of St. Francis, Kansas shall have authority to contract for the expenditure of moneys from the Tourism and Convention Fund.

Section 12. Interest and penalties for failure to pay or untimely payment of transient guest tax from and after the effective date of this ordinance:

(a) If any taxpayer shall fail to pay the tax levied pursuant to this ordinance, and amendments thereto, at the time required by or under the provisions of this ordinance and amendments thereto, there shall be added to the unpaid balance of the tax, interest and the rate per month prescribed by subsection (a) of K.S.A. 79-2968, and amendments thereto, from the date the tax was due until paid.

(b) If any taxpayer due to negligence or intentional disregard fails to file a return or pay the tax due at the time required by or under the provisions of this ordinance and amendments thereto, there shall be added to the tax a penalty in an amount equal to ten percent (10%) of the unpaid balance of tax due.

(c) If any person fails to make a return, or to pay any tax, within sixty (60) days from the date the return or tax was due, except in the case of an extension of time granted by the director, there shall be added to the tax due a penalty equal to twenty-five percent (25%) of the amount of such tax.

(d) If any taxpayer, with fraudulent intent, fails to pay any tax or make, render or sign any return, or to supply any information, within the time required by or under the provisions of this ordinance, and amendments thereto, there shall be added to the tax a penalty in the amount equal to fifty percent (50%) of the unpaid balance of tax due.

(e) Penalty or interest applied under the provisions of subsections (a) and (d) shall be in addition to the penalty added under any other provisions of this section, but the provisions of subsections (b) and (c) shall be mutually exclusive of each other.

(f) Whenever, in the judgment of the director, the failure of the taxpayer to comply with the provisions of subsections (b) and (c) was due to reasonable causes and not willful neglect, the director may waive or reduce any of the penalties upon making a record of the reasons therefore.

(g) In addition to all other penalties provided by this section, any person who willfully fails to make a return or to pay any tax imposed under this ordinance, and amendments thereto, or who makes a false or fraudulent return, or fails to keep any books or records necessary to determine the accuracy of the person's reports, or who willfully violates any regulations of the secretary of revenue, for the enforcement and administration of the provisions of this ordinance, inclusive, and amendments thereto, or who aids and abets another in attempting to evade the payment of any tax imposed by this ordinance, and amendments thereto, or who violates any other provision of this ordinance, and amendments thereto, shall upon conviction thereof, be fined not less than \$100.00 nor more than \$1,000.00, or be imprisoned in the county jail not less than one month nor more than six months, or be both so fined and imprisoned, in the discretion of the court.

(6-8-2004)

CHARTER ORDINANCE NO. 2004-2

A CHARTER ORDINANCE EXEMPTING THE CITY OF ST. FRANCIS, KANSAS, FROM THE PROVISIONS OF K.S.A. 12-631k, K.S.A. 12-860, K.S.A. 14-569 and K.S.A. 19-27,170; PROVIDING SUBSTITUTE PROVISIONS ON THE SAME SUBJECT AND REPUBLISHING SECTION 106 OF ARTICLE 15 OF THE CODE OF THE CITY OF ST, FRANCIS, KANSAS.

BE IT ORDAINED BY THE GOVERNMENT BODY OF THE CITY OF ST. FRANCIS, KANSAS:

Section 1. EXEMPTION- The City of St. Francis, Kansas by virtue of the power vested in it by Article 12, Section 5 of the Constitution of the State of Kansas, hereby elects to and does exempt itself and make inapplicable to it those provisions on K.S.A. 12-63 1k, K.S.A. 12-860, K.S.A. 14-569 and K.S.A.19-27,170 as amended by SB 328 and prohibiting the holding by cities of landlords for the delinquent sewer and water bills of their tenants as these amended statutes do not apply uniformly to all cities.

Section 2. SUBSTITUTE AND ADDITIONAL PROVISIONS- That the City of St. Francis, Kansas, does hereby provide substitute and additional provisions on the same subject as established by the City Code and as follows, to wit:

15-106 Landlord Liability. (a) Owners of premises served by utility service under this article shall be liable for payment of the cost of any utility service account delinquency arising from service provided to such premises, regardless of whether the utility service was furnished upon the application and request of the owner or the lessee of the premises. This provision shall also apply when the premises are leased

by or through an agent or other representative of the owner.

(b) In the event a delinquency arises involving leased premises, the owner or owner's agent shall be notified in writing of the delinquency of the lessee by first class regular mail within 10 days after the billing to the lessee becomes delinquent. Notice shall be sufficient if mailing to the last known address of the owner or owner's agent known to city personnel responsible for said mailing, after reasonable inquiry. If the delinquent billing, interest and penalty are not paid within 15 days of the mailing, the affected utility service may be discontinued and no further such service shall be furnished by the city to the premises until all billing for the utility service to be premises, interest, late payment charges and a reconnection charge, if applicable, is paid in full.

(Code 1994; Code 2003)

15-426 Delinquent Accounts; Lien Against Property. (a) In the event any person, except the United States and the state of Kansas or any political subdivision thereof, shall fail to pay the user charges when due, water service shall be terminated as provided in sections 15-102;104.

(b) In lieu of terminating water service, the governing body may elect to assess such delinquent charges as a lien upon the real estate serviced as provided in section 15-106, and the city clerk shall certify such delinquent charges to the county clerk to be placed on the tax roll and collected in a like manner as other taxes are collected.

(Ord. 422, Sec. 13-204; Code 1994; Code 2003)

(7-20-2004)

CHARTER ORDINANCE NO. 2015-1

A CHARTER ORDINANCE EXEMPTING THE CITY OF ST. FRANCIS, KANSAS, FROM A PORTION OF K.S.A. 15-209.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ST. FRANCIS, KANSAS:

SECTION 1. The City of St. Francis, Kansas, by the power vested in it under Article 12, Section 5 of the Constitution of the State of Kansas, hereby elects to exempt itself and make inapplicable to it, the provisions of K.S.A. 15-209 insofar as said statute may require that City Officers be qualified electors of said City.

SECTION 2. The appointed City Officers of the City of St. Francis, Kansas, need not be qualified electors of the City of St. Francis, Kansas, and may reside outside the City limits of St. Francis, Kansas. The appointed City Officers shall, however, reside in Cheyenne County, Kansas.

(01-26-2015)

APPENDIX B- RESOLUTIONS

- **PLEASE FIND SUPPLEMENTAL RESOLUTION BINDER**

APPENDIX C- WASTEWATER TREATMENT LOAN

AN ORDINANCE AUTHORIZING THE EXECUTION OF A FIRST AMENDMENT TO THE LOAN AGREEMENT BETWEEN ST. FRANCIS, KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS WATER POLLUTION CONTROL REVOLVING FUND FOR THE PURPOSE OF FINANCING A WASTEWATER TREATMENT PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE FIRST AMENDMENT TO THE LOAN AGREEMENT.

WHEREAS, the Federal Water Quality Act of 1987 (the "Federal Act") established revolving fund program for public wastewater treatment systems to assist in financing the costs of infrastructure needed to achieve or maintain compliance with the Federal Act and to protect the public health and authorized the Environmental Protection Agency (the "EPA") to administer a revolving loan program operated by the individual states; and

WHEREAS, to fund the state revolving fund program, the EPA will make annual capitalization grants to the states, on the condition that each state provide a state match for such state's revolving fund; and

WHEREAS, by passage of the Kansas Water Pollution Control Revolving Fund Act, K.S.A. 65-3321 through 65-3329, inclusive (the "Loan Act"), the State of Kansas (the "State") has established the Kansas Water Pollution Control Revolving Fund (the "Revolving Fund") for purposes of the Federal Act; and

WHEREAS, under the Loan Act, the Secretary of the Kansas Department of Health and Environment ("KDHE") is given the responsibility for administration and management of the Revolving Fund; and

WHEREAS, the Kansas Development Finance Authority (the "Authority") and KDHE have entered into a Pledge Agreement (the "Pledge Agreement") pursuant to which KDHE agrees to enter into Loan Agreements with Municipalities for public wastewater treatment projects (the "Projects") and to pledge the Loan Repayments (as defined in the Pledge Agreement) received pursuant to such Loan Agreements to the Authority; and

WHEREAS, the Authority is authorized under K.S.A. 74-8905(a) and the Loan Act to issue revenue bonds (the "Bonds") for the purpose of providing funds to implement the State's requirements under the Federal Act and to loan the same, together with available funds from the EPA capitalization grants, to Municipalities within the State for the payment of Project Costs (as said terms are defined in the Loan Act); and

WHEREAS, St. Francis, Kansas (the "Municipality") is a municipality as said term is defined in the Loan Act which operates a wastewater collection, pumping, and treatment system (the "System"); and

WHEREAS, the System is a public Wastewater Treatment Works, as said term is defined in the Loan Act; and

WHEREAS, the Municipality has, pursuant to the Loan Act, submitted an Application to KDHE to obtain an amendment to the loan from the Revolving Fund to finance the costs of improvements to its System consisting of the following: This project includes manhole replacement (approximately 8), manhole rehabilitation (approximately 34), installation of a new submersible main pump station, installation of an emergency generator, and expansion of the wastewater lagoon system. All necessary piping, electrical improvements and other appurtenance necessary for proper operation are also included (the "Project"); and

WHEREAS, the Municipality has taken all steps necessary and has complied with the provisions of the Loan Act and the provisions of K.A.R. 28-16-110 to 28-16-138 (the "Regulations") applicable thereto necessary to qualify for an amendment to the loan; and

WHEREAS, KDHE has informed the Municipality that it has been approved for a loan in amount of not to exceed Five Hundred Fifty Thousand Dollars [\$550,000] (the "Loan") in order to finance the Project; and

WHEREAS, the governing body of the Municipality hereby finds and determines that it is necessary and desirable to accept the First Amendment to the Loan and to enter into a First Amendment to the loan agreement and certain other documents relating thereto, and to take certain actions required in order to implement the First Amendment to the Loan Agreement.

Section 1. Authorization of the First Amendment to the Loan Agreement. The Municipality is hereby authorized to accept the Loan and to enter into a certain First Amendment to the Loan Agreement, with an effective date of May 24, 2005, with the State of Kansas acting by and through the Kansas Department of Health and Environment (the First Amendment to the "Loan Agreement") to finance the Project Costs (as defined in the First Amendment to the Loan Agreement). The Mayor and

Clerk are hereby authorized to execute the First Amendment to the Loan Agreement in substantially the form presented to the governing body this date, with such changes or modifications thereto as may be approved by the Mayor and the City Attorney, the Mayor's execution of the First Amendment to the Loan Agreement being conclusive evidence of such approval.

(Ord. 529, passed 6-21-2005)

Section 2. Establishment of Dedicated Source of Revenue for Repayment of Loan. Pursuant to the Loan Act, the Municipality hereby establishes a dedicated source of revenue for repayment of the Loan. In accordance therewith, the Municipality shall impose and collect such rates, fees and charges for the use and services furnished by or through the System, including all improvements and additions thereto hereafter constructed or acquired by the Municipality as will provide System Revenues or levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce amounts which are sufficient to (a) pay the cost of the operation and maintenance of the System, (b) pay the principal of and interest on the Loan as and when the same become due, and (c) pay all other amounts due at any time under the Loan Agreement; provided, however, no lien or other security interest is granted by the Municipality to KDHE on the System Revenues under this Agreement. In the event that the System Revenues are insufficient to meet the obligations under the Loan and the Loan Agreement, the Municipality shall levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce the amounts necessary for the prompt payment of the obligations under the Loan and Loan Agreement.

In accordance with the Loan Act, the obligations under the Loan and the First Amendment to the Loan Agreement shall not be included within any limitation on the bonded indebtedness of the Municipality.

(Ord. 529, passed 6-21-2005)

Section 3. Further Authority. The Mayor, Clerk and other City officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

(Ord. 529, passed 6-21-2005)

Section 4. Governing Law. The Ordinance and the First Amendment to the Loan Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Kansas.

(Ord. 529, passed 6-21-2005)

Section 5. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City and publication in the official City newspaper.

(Ord. 529, passed 6-21-2005)

APPENDIX D- POLICIES AND PROCEDURES

- **PLEASE FIND SUPPLEMENTAL POLICIES AND PROCEDURES BINDER**