

OSAGE CITY COUNCIL

Regular Meeting

April 8, 2025

7:00 p.m.

City Council Chambers – 221 S. 5th- Osage City, Ks

To join the meeting from your computer, tablet, or smartphone:

<https://tinyurl.com/2ajsms3b>

Meeting ID: 294 718 263 301

Passcode: UT9sw62f

Dial in by phone: 1-872-215-6905

Phone Conference ID: 352 887 245#



I. Routine Business

1. Call to Order
2. Additions or Deletions to the Agenda
3. Approval of the Agenda
4. Recognition of Visitors

II. Consent Agenda

1. Approval of March 25, 2025 Regular Meeting Minutes
2. Crosswinds Letter of Support

III. Business Before the Council

1. Downtown Flower Baskets Discussion (Information/Possible Action)-Dani Hallgren
2. Potential Solar Farm Project Information (Information/Possible Action)- Brandon Sack & Dave Norton, Evergy
3. Review and approval of Bond Sale documents for the new CAT Generators (Action Required)-Larry Kleeman, Attorney & Municipal Advisor/Ranson Financial
4. Approval of Change Order No. 2 for Project No. C20 1677 01 (Action Required)- Dale Schwieger, Utilities Director
5. Ordinance No. 1696 Surcharge (Action Required)-Katie Hodge, City Manager
6. Set Work Session to be held on May 20th for CIP & Equipment (Action Required)-Sadie, Boos, City Treasurer
7. Ordinance No. 1697 Electric Customer User Rates (Action Required)-Katie Hodge, City Manager
8. Approval of GRDA Agreement and Resolution No. 1136 for 1 MW (Action Required)-Katie Hodge, City Manager & KMEA
9. Information for City Council Ward Positions up for election and filing for election (Information)

10. Donation from Linda Jackson from Clyde's memorial donation specific to baseball as Clyde coached years ago and helped when his grandson played (Information)-Katie Hodge, City Manager

IV. Adjournment

Next Ordinance # 1698

Next Resolution # 1137

Next Charter Ordinance # 20

**CITY OF OSAGE CITY
COUNCIL MEETING
March 25, 2025**

ROLL CALL: Now on this 25th day of March 2025, the Governing Body of the City of Osage City, Kansas, met at the Osage City Council Chamber in said City. The following members being present and participating to wit: Mayor: Brian Stromgren. Council Members: Shirley Bausman, Mike Handly, Mike Gilliland, Susan Smith, Kathy Ayers, Cathryn Houghton and Jeanette Swarts; Absent: Jeff Tice. City Staff present: Rick Godderz, City Attorney; Katie Hodge, City Manager; Sadie Boos, City Treasurer; Amy Woodward, City Clerk. Absent: Dale Schwieger, Utilities Director. Others Present: David Luke, KCAMP Representative.

APPROVAL OF THE AGENDA:

Motion by Swarts, second by Handly to approve the agenda. The motion was declared carried (7-0).

RECOGNITION OF VISITORS: Casey Mussatto

APPROVAL OF THE CONSENT AGENDA:

1. Approval of March 11, 2025 Regular Meeting Minutes
2. Approval of Utility Account Write-Off Resolution No. 1133
3. Fireworks Permit Application for Garrett's Fireworks

Motion by Bausman, second by Smith to approve the consent agenda. The motion was declared carried (7-0).

BUSINESS BEFORE THE COUNCIL:

1. **Review of KCAMP Proposal and comparison to current insurance for the City (Potential Action) – Katie Hodge, City Manager**

City Manager, Katie Hodge, reviewed with council the comparison of KCAMP to existing EMC insurance. The cost with KCAMP is considerably lower than with EMC. The benefits offered as a KCAMP member are advantageous to City Staff.

Motion made by Houghton, second by Gilliland to approve KCAMP's proposal, giving notice to EMC and appreciate the service they have provided the City. The motion was declared carried (7-0).

Motion made by Gilliland, second by Ayers to approve Resolution No. 1134 to approve the Interlocal Cooperative Agreement for the Kansas County Association Multiline Pool (KCAMP). The motion was declared carried (7-0).

Motion by Houghton, second by Gilliland to authorize City Staff to execute a broker of record letter to place the Airport Policy and an Equipment Breakdown Policy on the Power Plant to the KCAMP broker.

2. Budget Amendment for the Sanitation and General Funds (Action Required) – Katie Hodge, City Manager & Sadie Boos, City Treasurer

City Manager, Katie Hodge, reviewed with council the details of the budget amendment.

Motion made by Smith, second by Handly to set the public hearing for April 22, 2025 at 7:00 p.m. for the purpose of hearing and answering objections of taxpayers relating to the proposed amended use of funds. The motion was declared carried (7-0).

3. Industry Discussion (Information & Discussion) – Katie Hodge, City Manager

Information Only - City Manager, Katie Hodge, reviewed with Council the timeline of events and steps taken following the announcement of the departure of Orbis Corporation. Casey Mussatto, Industrial Committee Chairman, also spoke regarding the departure to Council. An Information Session for former Orbis employees is scheduled for Thursday, April 3, 2025 and a job fair is scheduled for Monday, April 7, 2025.

ADJOURNMENT: *At the request of Council Member Houghton and on her motion, seconded by Council Member Smith and carried unanimously, the meeting adjourned.*

APPROVED: _____
Brian D. Stromgren, Mayor

ATTESTED: _____
Amy Woodward, City Clerk



Proud Past • Brilliant Future

City of Osage City
201 South 5th Street
P.O. Box 250
Osage City, Kansas 66523-0250
785-528-3714 office
785-528-3022 fax
osagecity@osagecity.com

April 8, 2025

CrossWinds Counseling and Wellness
608 Holliday Street
Osage City, KS 66523

To Kansas Department of Commerce,
I am writing to express my strong support for CrossWinds Counseling and Wellness' Reviving Rural campaign. As a member of our community, we value the comprehensive behavioral healthcare, including counseling for all ages, medication support, crisis intervention, and specialized programs provided to our community. In addition, their collaboration with local healthcare providers, law enforcement, courts, and our school system is a critical asset.

We are particularly supportive of the project in Osage County which aims to renovate a centrally located building to expand SUD services and support after school children's programs. This project will make a significant difference in addressing the unique needs of the residents of Osage County. Thank you for your leadership and dedication to improving behavioral health services throughout the region. I am proud to support the Reviving Rural campaign and look forward to seeing its positive impact on our communities.

Sincerely,

Brian Stromgren, Mayor

City Council Members for Osage City

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
04/8/2025

TIME
7:00 P.M.

| | | |
|---------------------------|---|-------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Administration | APPROVED FOR AGENDA: |
| ITEM NO. 1 | BY: Katie Hodge, City Manager | BY: KH |

ITEM:

Downtown Flower Basket Discussion by Dani Hallgren, Osage Hardware

BACKGROUND:

Dani Hallgren, Osage Hardware co-owner, would like to visit with the Osage City Council about adding hanging flower baskets in downtown Osage City. The City of Burlingame had a few hanging baskets last summer in their downtown area.

FISCAL NOTE:

STAFF RECOMMENDATION:

COUNCIL ACTION:

1. Approve
2. Reject
3. Table for a later discussion

MOTION:

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
04/8/2025

TIME
7:00 P.M.

| | | |
|---------------------------|---|-------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Administration | APPROVED FOR AGENDA: |
| ITEM NO. 2 | BY: Katie Hodge, City Manager | BY: KH |

ITEM:

Potential Solar Farm Project "Northern Harrier Solar" outside of Osage City

BACKGROUND:

Brandon Sack and Dave Norton, Evergy, will be sharing information and potentially looking for support related to a potential large scale solar farm near Osage City. Several landowners southwest of Osage City are interested in hosting a large-scale solar project. The project could bring 100-200 temporary construction jobs to Osage City/Osage County and millions of dollars to the county over time.

FISCAL NOTE:

STAFF RECOMMENDATION:

COUNCIL ACTION:

1. Approve a letter of support to send to the Osage County Commissioners
2. Reject a letter of support
3. Table for a later discussion (asking for information or letting the information provided Tuesday evening marinate. If you choose to table for a later discussion, please identify when you would like to discuss and any additional information, people, etc. you would like.)

MOTION:

I move we approve the City Manager to draft a letter of support for the large-scale solar project to the Osage County Commissioners

I move we reject drafting a letter of support for the large-scale solar project

I move we table the discussion to _____



Northern Harrier Solar:

Opportunity for Osage County

Evergy is committed to delivering reliable and cost-effective energy to customers for generations to come. Our all-of-the-above energy strategy ensures that Kansans receive the best energy solutions available. Over the next decade, Evergy plans to build a diverse portfolio of energy sources due to an aging infrastructure and growing demand in our communities.

Solar energy will be integral in providing reliable and cost-effective energy for the next generation of families. By combining solar with traditional resources, Evergy ensures a balanced energy mix that supports affordability and grid stability.



Solar energy projects bring numerous advantages, enhancing the communities that host them. **Northern Harrier Solar in Osage County** would provide the following:



Economic

- Each phase is expected to add more than **\$100 million*** in tax revenue over 30 years (up to 2.5 phases)
- Tax revenue = roughly **2,000 homes** per phase
- **Decrease burden** for taxpayers
- **Create jobs** during construction
- Immediate **positive economic activity** during construction
- Support long-term **business growth** and economic competitiveness

**property tax predictions are best estimates based on current conditions*



Power

- **Locally produced** for use by local customers
- Each phase will power **50,000 homes**
- Integral part of Evergy's **affordable, low-cost** energy solution for customers
- **Stabilize** energy supply
- Increases **diversification** of fuel sources for power generation
- Improved grid **resiliency and reliability**
- New designs and technology able to **withstand severe weather**

Environment



- Maintain **farmland integrity**
- Decommission plan guarantees **land restoration**
- Preserve **land value**
- Stormwater pollution **prevention plan**
- Use pollinator-friendly and native grasses to safeguard **local ecosystems** and habitats
- **Emissions-free** energy

Community



- Utilize existing transmission lines, ensuring **smooth integration**
- **Voluntary** land lease agreements to align agricultural practices
- Protect **landowner rights**
- Respect **rural heritage**
- Negotiate agreements to maintain and/or **improve roads** around the project
- **Minimal impact** to area residents

At Evergy, we are invested in next-gen infrastructure, providing reliable, sustainable, affordable energy that puts you first.

FAQ- Northern Harrier Solar Project



WHAT BENEFITS WILL THE PROJECT BRING TO THE COMMUNITY?

The Northern Harrier Solar Project will make substantial payments to local tax jurisdictions. Each phase is equal to **more than \$100 million** in tax revenue (up to 2.5 phases). This equates to the same tax revenue increase as building roughly 2,000 new homes. These tax dollars provide funding for public services such as roads, bridges, schools, and emergency services, helping to improve infrastructure, strengthen Osage County's economy, and decrease the tax burden on local residents.

During construction and operation, the project will create jobs and provide economic opportunities to local contractors, suppliers, and businesses. An influx of project workers will support local restaurants, stores, hotels, and other small businesses, further boosting the county's economy.

Additionally, the Northern Harrier Solar Project will offer financial benefits to participating landowners, farmers, and ranchers through annual land lease payments, providing a steady source of income amid droughts, floods, and fluctuating commodity prices.

This project will contribute to a reliable and affordable energy future by expanding Evergy's diversified energy portfolio. It will help meet high energy demands while keeping energy prices stable for customers. Owned and operated by Evergy, this project represents a long-term investment in Kansas' energy infrastructure and Osage County.

*property tax predictions are best estimates based on current conditions

WHY OSAGE COUNTY?

Osage County has access to existing high-voltage transmission lines that can transmit energy easily, affordably and locally to Evergy customers.

HAS THE PROJECT HELD OPEN HOUSE MEETINGS WITH PROJECT NEIGHBORS AND LOCAL OFFICIALS?

No. This project is in the very early stages of development, meaning Evergy is only just beginning to discuss the project with local stakeholders. It is Evergy's primary goal to lead with factual information to arrive at a collaborative solution that is good for Osage County and its residents.

WILL NON-PROJECT LAND BE IMPACTED ON COUNTY TAX ROLLS?

No. Land that is not part of the Northern Harrier Solar Project will remain on county tax rolls and will not be impacted. The land used for the solar project will also remain on tax rolls, though its tax classification and rate may change given the change in use.

WHAT WILL HAPPEN WITH GOVERNMENT SUBSIDIES FOR THIS PROJECT?

Any incentives that Evergy receives would be incorporated into project costs and passed along to customers. Unlike traditional fossil fuel generation, the fuel source for solar power is free. This allows Evergy to know the true operating cost of a solar project. This is key to securing an energy supply against disruptors that are out of Evergy's control.

IS THE COST OF SOLAR COMPETITIVE?

Yes. Solar power is one of the cleanest and cheapest power sources. Evergy is committed to providing customers with cost-effective and reliable energy while helping to build a more sustainable future.

WILL THE PROJECT USE EMINENT DOMAIN?

No. By Kansas State law, eminent domain cannot and will not be used for any solar or wind projects. Evergy remains committed to working with landowners and communities to responsibly develop renewable energy projects.

IS LAND USED FOR SOLAR PROJECTS STILL VIABLE FOR FARMING OR RANCHING IN THE FUTURE?

Yes. Land used for solar projects remains viable for farming and ranching both during the project's operation and after its conclusion. Solar projects do not permanently alter the land, allowing it to return to productive agricultural use once the project's lifespan is complete.

In some cases, projects incorporate agrivoltaics, a practice where farming and solar energy production coexist. This means that in certain cases, crops can still be grown, or livestock can graze under and around solar panels while energy is being generated.

During a project's lifetime, solar panels are supported by driven piles, which minimizes soil disruption. Any disturbed area under the panels or between rows are reseeded with native and pollinator-friendly grasses, to help restore nutrients to the soil.

Project leases with landowners, as well as Conditional Use Permits with the county, provide financial security for decommissioning. When Evergy owns a project, it is required to finance and complete decommissioning at the end of the project's life, ensuring the land is properly restored.

WHAT WILL HAPPEN TO THE SCENIC VIEWS IN OSAGE COUNTY WHEN THE PROJECT IS INSTALLED?

Given that solar panels are compact and low to the ground, this project will not be visible to the majority of Osage County residents.

The project is comprised of two separate areas: a small project area south of Osage City and a larger project area southwest of Osage City. The smaller project area will be near Road 170 and will be visible to some road traffic. The larger project area is in a very rural part of Osage County with no paved roads and over a quarter of a mile away from residential homes.

WILL THIS PROJECT REQUIRE NEW OVERHEAD TRANSMISSION LINES?

No. The project will interconnect to existing transmission lines that directly cross the project site. This means no new transmission lines will be required to deliver the energy from this solar facility to Evergy's customers.

WILL EVERGY SHUT DOWN COAL OR NUCLEAR PLANTS BECAUSE OF THIS PROJECT?

No. Evergy has an established Integrated Resource Plan -- a long-term strategy to reliably and affordably serve our customers now and in the future. This plan includes a balanced mix of power plant sources, including natural gas, wind and solar. Maintaining a diversified energy portfolio allows us to provide stable and cost-effective power while adapting to evolving energy needs.

Like all infrastructure, power plants require maintenance, upgrades, and eventual replacement after decades of operation. Some existing plants are scheduled for decommissioning due to age and cost-effectiveness, not because of new solar development.

DOES SOLAR POWER IMPACT THE OVERALL RELIABILITY OF THE GRID?

No. Evergy is required to follow NERC regulations which ensure a safe and reliable grid. Power from solar projects such as this one provide valuable on-peak power when demand is at its highest. Having a diverse mix of energy sources ensures that Evergy can serve customers as both the generation and demand fluctuate.

HOW WILL THE PROJECT MANAGE WATER RUN OFF?

As with most large construction projects, this project will have a Stormwater Pollution Prevention Plan. The plan lays out the requirements to design, install, and maintain effective erosion and sediment controls as mandated by the Environmental Protection Agency (EPA). The EPA routinely works with construction site operators to ensure that the proper stormwater controls are in place to protect the community's water resources and surrounding environment.

DO SOLAR PANELS LEACH HAZARDOUS CHEMICALS?

According to a study by Columbia Law School published in April 2024, "All materials in a solar panel are insoluble and non-volatile at ambient conditions, and don't mix with water or vaporize into air. Moreover, they are encased in tempered glass that not only withstands high temperatures but is also strong enough to pass hail tests and is regularly installed in Arctic and Antarctic conditions." This study also cites that even in the unlikely event of panel breakage, the release of chemicals used in solar panels are not harmful.

HOW DO SOLAR PROJECTS INTERACT WITH WILDLIFE HABITATS?

Evergy will work with both the Kansas Department of Wildlife and Parks and the United States Fish and Wildlife Service to evaluate any existing habitat in the project area. Based on the results of this analysis, the design of the project will avoid impacts to these critical resources.

HOW LOUD WILL THE PROJECT BE?

As with most construction projects of any type, some noise is expected during construction. Due to the very remote location of this project in Osage County, the impacts are expected to be minimal. Evergy conducts sound studies with each project to ensure sound is minimized. Sound levels at the project boundary are similar to a conversation level, and at night when the sun is not shining there is little to no sound.

HOW MUCH DUST WILL THE PROJECT CREATE?

During construction, there will be some dust created. Evergy will implement wind erosion and dust control measures to minimize construction-related dust impacts.

WILL THE PROJECT USE A LOT OF WATER?

No. Unlike thermal power projects, solar panels do not require water for cooling. After construction, water is only used for bathroom and kitchen facilities for staff working on the site. Additionally, in the Midwest, natural rainfall helps keep our solar panels clean, reducing the need for regular washing and minimizing water usage even further.

WILL THE PROJECT DECREASE PROPERTY VALUES?

No. A 2023 study performed by the [Lawrence Berkley Lab](#) found no impact on property sale prices for properties located within a mile of a renewable energy project. Property values have proven to stabilize and even increase due to improved infrastructure and enhanced community services from tax revenue generated by solar projects. These benefits lead to higher home valuations, benefiting homeowners and the broader community.

HOW WILL HEAT FROM THE PANELS IMPACT SURROUNDING LAND?

Solar panels are designed to absorb sunlight. Experts from Colombia University's Department of Earth and Environmental Engineering concluded that it is "unlikely that a heat island effect could occur" and adverse microclimate changes from large solar farms are not a concern.

HOW ARE SAFETY CONCERNS ON LOCAL ROADS MITIGATED DURING CONSTRUCTION?

As with most large construction projects, there is some increase in traffic on local roads. To address this, Evergy works closely with local officials to establish a road use and maintenance agreement that helps ensure public safety and infrastructure protection

These agreements designate specific routes for construction traffic, prevent counties from incurring costs related to road wear and repair, and outline safety measures to minimize community disruptions. In many cases, Evergy also invests in improvements to local roads, such as resurfacing and reinforcement, leaving lasting infrastructure benefits even after construction is complete.

HOW DOES SUNLIGHT REFLECTED FROM THE PROJECT IMPACT AIRPLANES?

Solar panels are designed to absorb sunlight and convert that sunlight into electricity. The Federal Aviation Administration concluded that any impact on pilots is minimal and similar to the impacts from light reflecting off water surfaces. In fact, many large airports have installed solar panels near their facilities to help power operations.

HOW WILL THE SOLAR PROJECT AFFECT THE RISK OF FIRE IN THE AREA?

Fire events on solar projects are exceedingly rare. If they do occur, they are typically caused by electrical faults, similar to any other electrical infrastructure. Solar projects are designed with strict safety measures to minimize fire risk.

To further enhance safety, Evergy coordinates with local fire departments to develop emergency response plans and provide specialized training for first responders. This ensures emergency personnel are familiar with the layout of the project, the equipment involved and the best practices for safely addressing any incidents that may arise on or around the site.

CAN SOLAR PANELS WITHSTAND STORMS?

Yes. Solar panels are constructed to withstand severe weather events. The solar facility will use a single-axis tracking system that enables panels to be rotated to a more vertical angle in the event of a severe storm, reducing the threat of hail damage. In addition, the project will be insured with insurance specific to catastrophic weather events for necessary repairs.

WHAT HAPPENS TO THE PROJECT AT THE END OF ITS USEFUL LIFE?

At the end of its useful life, the project will be decommissioned and all facilities removed. Neither the county nor the landowners will pay costs associated with decommissioning or restoring the land to its original state.



Northern Harrier Solar Project - FAQ

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
04/08/2025

TIME
7:00 P.M.

| | | |
|---------------------------|--|---------------------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Administration BY: Katie Hodge, City Manager Sadie Boos, City Treasurer | APPROVED FOR AGENDA: BY: KH |
| ITEM NO. 3 | | |

ITEM:

Bond Sale for CAT Engines

BACKGROUND:

The City of Osage City has approved the purchase of two CAT Engines for the Power Plant. We are in the financing phase of this project. The City Treasurer, City Manager, Utilities Director, along with Ranson Financial and Greg Wright have reviewed the City's finances and bond payment options. The City has approved the \$3,160,000 to be bonded. Bond and interest will be covered by passing a surcharge to bill all electric customers.

Total bond issuance is \$3,265,000

FISCAL NOTE:

The Electric Fund ended 2024 with 1 year plus 3 months of operating cash on hand. The last transfer of money from the Electric Fund to the Electric Improvement Fund concludes in 2025 leaving the balance in the Electric Improvement Fund at \$1.4 million. The Solar Farm, if purchased in year 8 of the City's contract with Evergy, is estimated to cost \$1.35 million

COUNCIL ACTION:

1. Approve authorizing electric utility system improvements and issuance of GO bonds to pay costs of such improvements
2. Approve the sale of the bond

MOTION:

1. I move we approve Resolution No. 1133 authorizing electric utility systems improvements and the issuance of general obligation bond of the City of Osage City, Kansas to pay costs of such improvements
2. I move we approve authorizing the offering for sale of general obligation bonds, series 2025, of the City of Osage City, Kansas

Cost to residential customers bonding \$3,160,000.00

WITHOUT ORBIS

10 YEAR BOND TERM

| 1000-1500 Sq Ft. | | 1501-2000 Sq Ft | | 2501-3000 Sq Ft | | Mobile Homes | |
|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|
| Square Ft | Annual \$ | Square Ft | Annual \$ | Square Ft | Annual \$ | Usage | Annual \$ |
| 1000 | \$161.13 | 1600 | \$257.80 | 3029 | \$488.05 | 762 | \$122.78 |
| 1100 | \$177.24 | 1932 | \$311.30 | 2704 | \$435.69 | 1732 | \$279.07 |
| 1100 | \$177.24 | 1736 | \$279.72 | 2727 | \$439.39 | 1415 | \$227.99 |
| 1089 | \$175.47 | 1632 | \$262.96 | 2970 | \$478.55 | 974 | \$156.94 |
| 1276 | \$205.60 | 1892 | \$304.85 | 2852 | \$459.53 | 815 | \$131.32 |
| 1296 | \$208.82 | 1704 | \$274.56 | | | 884 | \$142.44 |
| Average | \$184.25 | Average | \$360.09 | Average | \$460.24 | Average | \$176.76 |
| Monthly | \$15.35 | Monthly | \$30.01 | Monthly | \$38.35 | Monthly | \$14.73 |

15 YEAR BOND TERM

| 1000-1500 Sq Ft. | | 1501-2000 Sq Ft | | 2501-3000 Sq Ft | | Mobile Homes | |
|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|
| Square Ft | Annual \$ | Square Ft | Annual \$ | Square Ft | Annual \$ | Usage | Annual \$ |
| 1000 | \$161.13 | 1600 | \$257.80 | 3029 | \$488.05 | 762 | \$122.78 |
| 1100 | \$177.24 | 1932 | \$311.30 | 2704 | \$435.69 | 1732 | \$279.07 |
| 1100 | \$177.24 | 1736 | \$279.72 | 2727 | \$439.39 | 1415 | \$227.99 |
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| 1276 | \$205.60 | 1892 | \$304.85 | 2852 | \$459.53 | 815 | \$131.32 |
| 1296 | \$208.82 | 1704 | \$274.56 | | | 884 | \$142.44 |
| Average | \$184.25 | Average | \$360.09 | Average | \$460.24 | Average | \$176.76 |
| Monthly | \$15.35 | Monthly | \$30.01 | Monthly | \$38.35 | Monthly | \$14.73 |

WITHOUT ORBIS
10 YEAR BOND TERM

Cost to commercial customers bonding \$3,160,000.00

| Under 10,000 KWH | | 10,001 - 20, 000 KWH | | 20,001 - 30,000 KWH | | 30,001 - 40,000 KWH | | Large User | |
|------------------|------------|----------------------|------------|---------------------|------------|---------------------|------------|------------|-------------|
| Usage | Annual \$ | Usage | Annual \$ | Usage | Annual \$ | Usage | Annual \$ | Usage | Monthly |
| 4815 | \$775.82 | 10783 | \$1,737.43 | 22870 | \$3,684.96 | 36980 | \$5,958.45 | 56360 | \$9,081.08 |
| 5173 | \$833.51 | 12690 | \$2,044.69 | 25440 | \$4,099.06 | 37243 | \$6,000.83 | 107287 | \$17,286.77 |
| 7657 | \$1,233.74 | 14683 | \$2,365.82 | 24750 | \$3,987.88 | Average | \$5,979.64 | 286700 | \$46,194.94 |
| 7840 | \$1,263.23 | 15467 | \$2,492.14 | Average | \$3,923.96 | Monthly | \$498.30 | 319300 | \$51,447.66 |
| 8460 | \$1,363.13 | 18563 | \$2,990.99 | Monthly | \$327.00 | | | 336100 | \$54,154.58 |
| Average | \$1,093.89 | Average | \$2,326.21 | | | | | | |
| Monthly | \$91.16 | Monthly | \$193.85 | | | | | | |

15 YEAR BOND TERM

| Under 10,000 KWH | | 10,001 - 20, 000 KWH | | 20,001 - 30,000 KWH | | 30,001 - 40,000 KWH | | Large User | |
|------------------|------------|----------------------|------------|---------------------|------------|---------------------|------------|------------|-------------|
| Usage | Annual \$ | Usage | Annual \$ | Usage | Annual \$ | Usage | Annual \$ | Usage | Monthly |
| 4815 | \$775.82 | 10783 | \$1,737.43 | 22870 | \$3,684.96 | 36980 | \$5,958.45 | 56360 | \$9,081.08 |
| 5173 | \$833.51 | 12690 | \$2,044.69 | 25440 | \$4,099.06 | 37243 | \$6,000.83 | 107287 | \$17,286.77 |
| 7657 | \$1,233.74 | 14683 | \$2,365.82 | 24750 | \$3,987.88 | Average | \$5,979.64 | 286700 | \$46,194.94 |
| 7840 | \$1,263.23 | 15467 | \$2,492.14 | Average | \$3,923.96 | Monthly | \$498.30 | 319300 | \$51,447.66 |
| 8460 | \$1,363.13 | 18563 | \$2,990.99 | Monthly | \$327.00 | | | 336100 | \$54,154.58 |
| Average | \$1,093.89 | Average | \$2,326.21 | | | | | | |
| Monthly | \$91.16 | Monthly | \$193.85 | | | | | | |

Draft Time Table of Events

**City of Osage City
General Obligation Bonds, Series 2025
(Electric Improvements)**

(City regular meetings are 2nd, 4th Tuesday, 7:00 pm)

| <u>Activity</u> | <u>Date</u> |
|---|------------------|
| Ranson distributes draft Plan of Finance | 4/2/2025 |
| Gilmore and Bell provides draft documents to the City | 4/4/2025 |
| City approves resolution authorizing bond sale | 4/8/2025 |
| Ranson distributes draft POS for comments | 4/15/2025 |
| Comments due to Ranson on POS | 4/22/2025 |
| Ranson distributes Bid Documents | 4/29/2025 |
| Gilmore and Bell provides draft Resolution to the PBC | 5/8/2025 |
| City approves best bid (and bond ordinance) | 5/13/2025 |
| Closing (Funds Available) | 5/29/2025 |

Contacts at Ranson Financial Group LLC (Municipal Financial Advisors)

| | |
|--|--|
| Larry Kleeman | Henry Schmidt |
| Attorney & Municipal Advisor | Municipal Advisor |
| larry@citycode.com | hschmidt@ransonfinancial.com |
| 316-619-6707 cell | 316-712-8840 cell |

www.ransonfinancial.com
316-264-3400

City of Osage City, Kansas

\$3,265,000
 GO Bonds, Series 2025
 May 29, 2025

Optional Redemption: 9/01/2032
 Underwriter Allowance: 1.50%
 Sale Date/Time: 05/13/2025 @ 11:00

Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|--------------|-----------------------|--------|---------------------|-----------------------|--------------|
| 05/29/2025 | - | - | - | - | - |
| 03/01/2026 | - | - | 92,243.51 | 92,243.51 | - |
| 09/01/2026 | 250,000.00 | 3.410% | 61,043.50 | 311,043.50 | 403,287.01 |
| 12/31/2026 | - | - | - | - | - |
| 03/01/2027 | - | - | 56,781.00 | 56,781.00 | - |
| 09/01/2027 | 290,000.00 | 3.500% | 56,781.00 | 346,781.00 | 403,562.00 |
| 12/31/2027 | - | - | - | - | - |
| 03/01/2028 | - | - | 51,706.00 | 51,706.00 | - |
| 09/01/2028 | 300,000.00 | 3.540% | 51,706.00 | 351,706.00 | 403,412.00 |
| 12/31/2028 | - | - | - | - | - |
| 03/01/2029 | - | - | 46,396.00 | 46,396.00 | - |
| 09/01/2029 | 310,000.00 | 3.600% | 46,396.00 | 356,396.00 | 402,792.00 |
| 12/31/2029 | - | - | - | - | - |
| 03/01/2030 | - | - | 40,816.00 | 40,816.00 | - |
| 09/01/2030 | 320,000.00 | 3.680% | 40,816.00 | 360,816.00 | 401,632.00 |
| 12/31/2030 | - | - | - | - | - |
| 03/01/2031 | - | - | 34,928.00 | 34,928.00 | - |
| 09/01/2031 | 335,000.00 | 3.730% | 34,928.00 | 369,928.00 | 404,856.00 |
| 12/31/2031 | - | - | - | - | - |
| 03/01/2032 | - | - | 28,680.25 | 28,680.25 | - |
| 09/01/2032 | 345,000.00 | 3.800% | 28,680.25 | 373,680.25 | 402,360.50 |
| 12/31/2032 | - | - | - | - | - |
| 03/01/2033 | - | - | 22,125.25 | 22,125.25 | - |
| 09/01/2033 | 360,000.00 | 3.870% | 22,125.25 | 382,125.25 | 404,250.50 |
| 12/31/2033 | - | - | - | - | - |
| 03/01/2034 | - | - | 15,159.25 | 15,159.25 | - |
| 09/01/2034 | 370,000.00 | 3.980% | 15,159.25 | 385,159.25 | 400,318.50 |
| 12/31/2034 | - | - | - | - | - |
| 03/01/2035 | - | - | 7,796.25 | 7,796.25 | - |
| 09/01/2035 | 385,000.00 | 4.050% | 7,796.25 | 392,796.25 | 400,592.50 |
| 12/31/2035 | - | - | - | - | - |
| Total | \$3,265,000.00 | - | \$762,063.01 | \$4,027,063.01 | - |

City of Osage City, Kansas

\$3,265,000
GO Bonds, Series 2025
May 29, 2025

Sources & Uses

Dated 05/29/2025 | Delivered 05/29/2025

| Sources Of Funds | |
|---------------------------------------|-----------------------|
| Par Amount of Bonds | \$3,265,000.00 |
| Total Sources | \$3,265,000.00 |
| Uses Of Funds | |
| Total Underwriter's Discount (1.500%) | 48,975.00 |
| Costs of Issuance | 51,500.00 |
| Deposit to Project Construction Fund | 3,160,000.00 |
| Rounding Amount | 4,525.00 |
| Total Uses | \$3,265,000.00 |

COSTS OF ISSUANCE DETAIL

| | |
|---|--------------------|
| Financial Advisor (Ranson Financial) | \$20,000.00 |
| Bond Counsel (Gilmore & Bell) | \$22,900.00 |
| POS/Official Statement (Ranson Financial) | \$5,000.00 |
| CUSIP | \$550.00 |
| Paying Agent | \$2,800.00 |
| Attorney General | \$250.00 |
| TOTAL | \$51,500.00 |

City of Osage City, Kansas

\$3,265,000
 GO Bonds, Series 2025
 May 29, 2025

Optional Redemption: 9/01/2032
 Underwriter Allowance: 1.50%
 Sale Date/Time: 05/13/2025 @ 11:00

Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|--------------|-----------------------|--------|---------------------|-----------------------|--------------|
| 05/29/2025 | - | - | - | - | - |
| 03/01/2026 | - | - | 92,243.51 | 92,243.51 | - |
| 09/01/2026 | 250,000.00 | 3.410% | 61,043.50 | 311,043.50 | 403,287.01 |
| 12/31/2026 | - | - | - | - | - |
| 03/01/2027 | - | - | 56,781.00 | 56,781.00 | - |
| 09/01/2027 | 290,000.00 | 3.500% | 56,781.00 | 346,781.00 | 403,562.00 |
| 12/31/2027 | - | - | - | - | - |
| 03/01/2028 | - | - | 51,706.00 | 51,706.00 | - |
| 09/01/2028 | 300,000.00 | 3.540% | 51,706.00 | 351,706.00 | 403,412.00 |
| 12/31/2028 | - | - | - | - | - |
| 03/01/2029 | - | - | 46,396.00 | 46,396.00 | - |
| 09/01/2029 | 310,000.00 | 3.600% | 46,396.00 | 356,396.00 | 402,792.00 |
| 12/31/2029 | - | - | - | - | - |
| 03/01/2030 | - | - | 40,816.00 | 40,816.00 | - |
| 09/01/2030 | 320,000.00 | 3.680% | 40,816.00 | 360,816.00 | 401,632.00 |
| 12/31/2030 | - | - | - | - | - |
| 03/01/2031 | - | - | 34,928.00 | 34,928.00 | - |
| 09/01/2031 | 335,000.00 | 3.730% | 34,928.00 | 369,928.00 | 404,856.00 |
| 12/31/2031 | - | - | - | - | - |
| 03/01/2032 | - | - | 28,680.25 | 28,680.25 | - |
| 09/01/2032 | 345,000.00 | 3.800% | 28,680.25 | 373,680.25 | 402,360.50 |
| 12/31/2032 | - | - | - | - | - |
| 03/01/2033 | - | - | 22,125.25 | 22,125.25 | - |
| 09/01/2033 | 360,000.00 | 3.870% | 22,125.25 | 382,125.25 | 404,250.50 |
| 12/31/2033 | - | - | - | - | - |
| 03/01/2034 | - | - | 15,159.25 | 15,159.25 | - |
| 09/01/2034 | 370,000.00 | 3.980% | 15,159.25 | 385,159.25 | 400,318.50 |
| 12/31/2034 | - | - | - | - | - |
| 03/01/2035 | - | - | 7,796.25 | 7,796.25 | - |
| 09/01/2035 | 385,000.00 | 4.050% | 7,796.25 | 392,796.25 | 400,592.50 |
| 12/31/2035 | - | - | - | - | - |
| Total | \$3,265,000.00 | | \$762,063.01 | \$4,027,063.01 | |

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF OSAGE CITY, KANSAS
HELD ON APRIL 8, 2025**

The Governing Body (the "Governing Body") met in regular session at the usual meeting place in the City at 7:00 P.M., the following members being present and participating, to-wit:

Absent:

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

(Other Proceedings)

Councilmember _____ presented and moved the adoption of a Resolution entitled:

**A RESOLUTION AUTHORIZING ELECTRIC UTILITY SYSTEM
IMPROVEMENTS AND THE ISSUANCE OF GENERAL OBLIGATION BONDS
OF THE CITY OF OSAGE CITY, KANSAS TO PAY COSTS OF SUCH
IMPROVEMENTS.**

Councilmember _____ seconded the motion to adopt the Resolution. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the following vote of the Governing Body:

Aye: _____.

Nay: _____.

The Mayor declared the Resolution duly adopted by the Governing Body and the Clerk designated the same Resolution No. [_____].

(Other Proceedings)

CERTIFICATE

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

(SEAL)

Clerk

ADOPTED by the Governing Body on April 8, 2025.

(SEAL)

Mayor

ATTEST:

Clerk

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF OSAGE CITY, KANSAS
HELD ON APRIL 8, 2025**

The Governing Body (the "Governing Body") met in regular session at the usual meeting place in the City at 7:00 P.M., the following members being present and participating, to-wit:

Absent:

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

(Other Proceedings)

Councilmember _____ presented and moved the adoption of a Resolution entitled:

**A RESOLUTION AUTHORIZING ELECTRIC UTILITY SYSTEM
IMPROVEMENTS AND THE ISSUANCE OF GENERAL OBLIGATION BONDS
OF THE CITY OF OSAGE CITY, KANSAS TO PAY COSTS OF SUCH
IMPROVEMENTS.**

Councilmember _____ seconded the motion to adopt the Resolution. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the following vote of the Governing Body:

Aye: _____.

Nay: _____.

The Mayor declared the Resolution duly adopted by the Governing Body and the Clerk designated the same Resolution No. [_____].

(Other Proceedings)

CERTIFICATE

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

(SEAL)

Clerk

RESOLUTION NO. 1133

A RESOLUTION AUTHORIZING ELECTRIC UTILITY SYSTEM IMPROVEMENTS AND THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF OSAGE CITY, KANSAS TO PAY COSTS OF SUCH IMPROVEMENTS.

WHEREAS, Charter Ordinance No. 19 of the City of Osage City, Kansas (the "City") (enacted pursuant to the provisions of Section 5(c) of Article 12 of the Constitution of the State of Kansas) and K.S.A. 12-101 *et seq.* (jointly the "Act"), authorizes the City to issue its general obligation bonds to acquire, purchase, construct, extend or improve equipment, works, buildings or facilities, or any combination of the foregoing, for the purpose of supplying the City and its inhabitants with natural gas, water, electric light, or heating, or street-railway or telephone service; and

WHEREAS, the governing body of the City has determined it necessary to purchase, acquire and install two 2.25 KW generators and related improvements for the City's electric utility system (the "Project"), and provide for the payment of the costs of the Project, all as provided by the Act.

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

SECTION 1. Project Authorization. It is hereby authorized, ordered and directed that the Project be undertaken under the provisions of the Act, and any other applicable laws of the State of Kansas.

SECTION 2. Bond Authorization. The costs of the Project, including financing costs, are hereby authorized to be paid by the issuance of general obligation bonds of the City (the "Bonds") in an amount of not to exceed \$3,265,000, under the provisions of the Act.

SECTION 3. Reimbursement. The Bonds authorized pursuant to this Resolution are authorized to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation §1.150-2.

SECTION 4. Effective Date This Resolution shall take effect and be in force from and after its adoption. This Resolution shall not be subject to any publication, petition in opposition or election under the Act.

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ADOPTED by the Governing Body on April 8, 2025.

(SEAL)

Mayor

ATTEST:

Clerk

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF OSAGE CITY, KANSAS
HELD ON APRIL 8, 2025**

The Governing Body (the "Governing Body") met in regular session at the usual meeting place in the City at 7:00 P.M., the following members being present and participating, to-wit:

Absent:

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

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Bonds, Series 2025, came on for consideration and was discussed.

Councilmember _____ presented and moved the adoption of a Resolution entitled:

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL
OBLIGATION BONDS, SERIES 2025, OF THE CITY OF OSAGE CITY,
KANSAS.**

Councilmember _____ seconded the motion to adopt the Resolution. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the following vote of the Governing Body:

Aye: _____.

Nay: _____.

The Mayor declared the Resolution duly adopted by the Governing Body and the Clerk designated the same Resolution No. [_____].

(Other Proceedings)

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CERTIFICATE

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

(SEAL)

Clerk

ADOPTED by the Governing Body on April 8, 2025.

(SEAL)

Mayor

ATTEST:

Clerk

EXHIBIT A
CERTIFICATE DEEMING
PRELIMINARY OFFICIAL STATEMENT FINAL

To:

Re: \$3,265,000* City of Osage City, Kansas, General Obligation Bonds, Series 2025

The undersigned are the duly acting Mayor and Clerk of the City of Osage City, Kansas (the "Issuer"), and are authorized to deliver this Certificate to the purchaser (the "Purchaser") of the above-referenced bonds (the "Bonds") on behalf of the Issuer. The Issuer has previously caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the "Preliminary Official Statement") relating to the Bonds.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters.

CITY OF OSAGE CITY, KANSAS

By: _____
Title: Mayor

By: _____
Title: Clerk

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF OSAGE CITY, KANSAS
HELD ON APRIL 8, 2025**

The Governing Body (the "Governing Body") met in regular session at the usual meeting place in the City at 7:00 P.M., the following members being present and participating, to-wit:

Absent:

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

* * * * *

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Bonds, Series 2025, came on for consideration and was discussed.

Councilmember _____ presented and moved the adoption of a Resolution entitled:

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL
OBLIGATION BONDS, SERIES 2025, OF THE CITY OF OSAGE CITY, KANSAS.**

Councilmember _____ seconded the motion to adopt the Resolution. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the following vote of the Governing Body:

Aye: _____.

Nay: _____.

The Mayor declared the Resolution duly adopted by the Governing Body and the Clerk designated the same Resolution No. [_____].

* * * * *

(Other Proceedings)

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CERTIFICATE

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

(SEAL)

Clerk

RESOLUTION NO. [135]

A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES 2025, OF THE CITY OF OSAGE CITY, KANSAS.

WHEREAS, the City of Osage City, Kansas (the “Issuer”), pursuant to K.S.A. Charter Ordinance No. 19 of the Issuer, has previously authorized certain improvements described as follows (the “Improvements”):

| Project Description | Res. No. | Authority | Amount |
|---|--------------------------|--|---------------|
| Two 2.25 KW generators and related improvements | <input type="checkbox"/> | Charter Ordinance No. 19 of the Issuer | \$3,265,000 |

WHEREAS, the Issuer proposes to issue its general obligation bonds to pay costs of the Improvements; and

WHEREAS, the Governing Body of the Issuer (the “Governing Body”) has selected the firm of Ranson Financial Group, Wichita, Kansas (the “Financial Advisor”), as financial advisor for one or more series of general obligation bonds of the Issuer to be issued in order to provide funds to permanently finance the Improvements; and

WHEREAS, the Issuer desires to authorize the Financial Advisor to proceed with the offering for sale of said general obligation bonds and related activities; and

WHEREAS, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation bonds; and

WHEREAS, the Issuer desires to authorize the Financial Advisor and Gilmore & Bell, P.C., Wichita, Kansas, the Issuer’s bond counsel (“Bond Counsel”), in conjunction with the Clerk to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation bonds.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OSAGE CITY, KANSAS, AS FOLLOWS:

Section 1. There is hereby authorized to be offered for sale the Issuer’s General Obligation Bonds, Series 2025 (the “Bonds”) described in the Notice of Bond Sale, which is hereby approved in substantially the form presented to the Governing Body this date (the “Notice of Bond Sale”). All proposals for the purchase of the Bonds shall be delivered to the Governing Body at its meeting to be held on the sale date referenced in the Notice of Bond Sale, at which meeting the Governing Body shall review such bids and award the sale of the Bonds or reject all proposals.

Section 2. The Mayor and Clerk in conjunction with the Financial Advisor and Bond Counsel are hereby authorized to cause to be prepared a Preliminary Official Statement relating to the Bonds (the

“Preliminary Official Statement”), and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Bonds.

Section 3. The Clerk, in conjunction with the Financial Advisor and Bond Counsel, is hereby authorized and directed to give notice of said bond sale by publishing a summary of the Notice of Bond Sale not less than 6 days before the date of the bond sale in a newspaper of general circulation in Osage County, Kansas, and the *Kansas Register* and by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in the Notice of Bond Sale, and awarded or rejected in the manner set forth in the Notice of Bond Sale.

Section 4. For the purpose of enabling the purchaser of the Bonds (the “Purchaser”) to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Mayor and Clerk are hereby authorized: (a) to approve the form of the Preliminary Official Statement and to execute the “Certificate Deeming Preliminary Official Statement Final” in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official’s signature thereon being conclusive evidence of such official’s and the Issuer’s approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

Section 5. The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. The Mayor, Clerk and the other officers and representatives of the Issuer, the Financial Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds.

The transactions described in this Resolution may be conducted, and documents related to the Bonds may be sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 7. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

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ADOPTED by the Governing Body on April 8, 2025.

(SEAL)

Mayor

ATTEST:

Clerk

EXHIBIT A

**CERTIFICATE DEEMING
PRELIMINARY OFFICIAL STATEMENT FINAL**

To:

Re: \$3,265,000* City of Osage City, Kansas, General Obligation Bonds, Series 2025

The undersigned are the duly acting Mayor and Clerk of the City of Osage City, Kansas (the "Issuer"), and are authorized to deliver this Certificate to the purchaser (the "Purchaser") of the above-referenced bonds (the "Bonds") on behalf of the Issuer. The Issuer has previously caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the "Preliminary Official Statement") relating to the Bonds.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters.

CITY OF OSAGE CITY, KANSAS

By: _____
Title: Mayor

By: _____
Title: Clerk

NOTICE OF BOND SALE

\$3,265,000*

CITY OF OSAGE CITY, KANSAS

**GENERAL OBLIGATION BONDS
SERIES 2025**

(GENERAL OBLIGATION BONDS PAYABLE
FROM UNLIMITED AD VALOREM TAXES)

Bids. Facsimile, email and electronic (as explained below) bids for the purchase of the above-referenced bonds (the “Bonds”) of the City of Osage City, Kansas (the “Issuer”) herein described will be received on behalf of the undersigned Clerk of the Issuer at the address hereinafter set forth in the case of email and facsimile bids, and via PARITY® in the case of electronic bids, until 11:00 A.M. applicable Central Time (the “Submittal Hour”), on

TUESDAY, MAY 13, 2025

(the “Sale Date”). All bids will be publicly evaluated at said time and place and the award of the Bonds to the successful bidder (the “Successful Bidder”) will be acted upon by the Governing Body of the Issuer (the “Governing Body”) at its meeting to be held at 7:00 p.m. on the Sale Date. No oral or auction bids will be considered. Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Bonds.

Terms of the Bonds. The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). The Bonds will be dated May 29, 2025 (the “Dated Date”), and will become due in principal installments on September 1 in the years as follows:

| <u>Year</u> | <u>Principal Amount*</u> | <u>Year</u> | <u>Principal Amount*</u> |
|-------------|--------------------------|-------------|--------------------------|
| 2026 | \$250,000 | 2031 | \$335,000 |
| 2027 | 290,000 | 2032 | 345,000 |
| 2028 | 300,000 | 2033 | 360,000 |
| 2029 | 310,000 | 2034 | 370,000 |
| 2030 | 320,000 | 2035 | 385,000 |

The Bonds will bear interest from the Dated Date at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2026 (the “Interest Payment Dates”).

***Adjustment of Issue Size.** The Issuer reserves the right to increase or decrease the total principal amount of the Bonds or the schedule of principal payments described above, depending on the purchase price and interest rates bid and the offering prices specified by the Successful Bidder. The Successful

Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the Bonds or the schedule of principal payments as described herein. If there is an increase or decrease in the final aggregate principal amount of the Bonds or the schedule of principal payments as described above, the Issuer will notify the Successful Bidder by means of telephone, electronic or facsimile transmission, subsequently confirmed in writing, no later than 2:00 p.m. applicable Central Time, on the Sale Date. The actual purchase price for the Bonds shall be calculated by applying the percentage of par value bid by the Successful Bidder against the final aggregate principal amount of the Bonds, as adjusted, plus accrued interest from the Dated Date to the Closing Date (as hereinafter defined).

Place of Payment. The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The principal of each Bond will be payable at maturity or earlier redemption to the owner thereof whose name is on the registration books (the "Bond Register") of the Bond Registrar (the "Registered Owner") upon presentation and surrender at the principal office of the Paying Agent. Interest on each Bond will be payable to the Registered Owner of such Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the "Record Date") (a) mailed by the Paying Agent to the address of such Registered Owner as shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

Bond Registration. The Bonds will be registered pursuant to a plan of registration approved by the Issuer and the Attorney General of the State of Kansas (the "State"). The Issuer will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the Owners.

Book-Entry-Only System. The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The Bonds will initially be issued exclusively in "book entry" form and shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Bonds. During the term of the Bonds, so long as the book-entry-only system is continued, the Issuer will make payments of principal of, premium, if any, and interest on the Bonds to DTC or its nominee as the Registered Owner of the Bonds. DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds in accordance with agreements between such participants and the beneficial owners. The Issuer will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the Issuer determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the Issuer will discontinue the book-entry-only form of registration with DTC. If the Issuer fails to identify another qualified securities depository to replace DTC, the Issuer will cause to be authenticated and delivered to the beneficial owners replacement Bonds in the form of fully registered certificates. Reference is made to the Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

Redemption of Bonds Prior to Maturity.

General. Whenever the Issuer is to select Bonds for the purpose of redemption, it will, in the case of Bonds in denominations greater than the minimum Authorized Denomination, if less than all of the Bonds then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such fully registered Bond as though it were a separate Bond in the minimum Authorized Denomination.

Optional Redemption. At the option of the Issuer, Bonds maturing on September 1 in the years 2033, and thereafter, will be subject to redemption and payment prior to maturity on September 1, 2032, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

Mandatory Redemption. A bidder may elect to have all or a portion of the Bonds scheduled to mature in consecutive years issued as term bonds (the "Term Bonds") scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable paragraph on the Official Bid Form or completing the applicable information on PARITY®.

Notice and Effect of Call for Redemption. Unless waived by any owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar, any provider of municipal bond insurance and the Successful Bidder. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the registered owners of said Bonds. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the Redemption Date. All notices of redemption shall state the Redemption Date, the redemption price, the Bonds to be redeemed, the place of surrender of Bonds so called for redemption and a statement of the effect of the redemption. The Issuer shall also give such additional notice as may be required by State law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Bond be called for redemption and payment as aforesaid, all interest on such Bond shall cease from and after the Redemption Date, provided funds are available for its payment at the price hereinbefore specified.

Authority, Purpose and Security. The Bonds are being issued pursuant to Charter Ordinance No. 19 of the Issuer, as amended, and an ordinance and a resolution adopted by the Governing Body (collectively the "Bond Resolution") for the purpose of paying costs of certain electric improvements (the "Improvements"). The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are irrevocably pledged for the prompt payment of the principal and interest on the Bonds as the same become due.

Submission of Bids. Facsimile and email bids must be made on forms which may be procured from the Clerk or the Financial Advisor and shall be addressed to the undersigned, and marked "Proposal for General Obligation Bonds, Series 2025." Facsimile bids should not be preceded by a cover sheet and should be sent only once to (316) 265-5403. Email bids should be sent only once to the Financial Advisor at bids@ransonfinancial.com. Confirmation of receipt of facsimile or email bids may be made by contacting the Financial Advisor at the number listed below. Electronic bids via PARITY® must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice of Bond Sale. *Any bid submitted shall include the initial offering prices to the public for each maturity of the*

Bonds. If provisions of this Notice of Bond Sale conflict with those of PARITY®, this Notice of Bond Sale shall control. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which may be submitted separately. The Issuer and Financial Advisor shall not be responsible for failure of the transmission or the receipt of any bid.

PARITY®. Information about the electronic bidding services of PARITY® may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

Conditions of Bids. Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Bonds of the same maturity year; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by **THE BOND BUYER**, in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 3%; (c) no supplemental interest payments will be considered; and (d) each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. No bid for less than **98.5%** of the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered. Each bid shall specify the total interest cost (expressed in dollars) during the term of the Bonds on the basis of such bid, the discount, if any, the premium, if any, offered by the bidder, the net interest cost (expressed in dollars) on the basis of such bid, and an estimate of the TIC (as hereinafter defined) on the basis of such bid. Each bidder shall certify to the Issuer the correctness of the information contained on the Official Bid Form; the Issuer will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the Bonds, it will provide the certification described under the caption “Establishment of Issue Price” in this Notice.

Good Faith Deposit. A good faith deposit (the “Deposit”) in the amount of \$65,300 payable to the order of the Issuer is required in order to secure the Issuer from any loss resulting from the failure of the bidder to comply with the terms of its bid.

The Deposit may be submitted at the addresses hereinafter set forth in either of the following forms:

(a) *Certified or Cashier’s Check.* Certified or cashier’s check drawn on a bank located in the United States of America received by the Issuer or the Financial Advisor **prior to the Submittal Hour**; or

(b) *Wire Transfer.* Wire transfer submitted by the Successful Bidder in Federal Reserve funds, immediately available for use by the Issuer **not later than 2:00 p.m. applicable Central Time on the Sale Date** (wire transfer information may be obtained from the Issuer or the Financial Advisor at the addresses set forth below).

Contemporaneously with the submission of a wire transfer Deposit, such bidder shall send an email to the Financial Advisor at the email address set forth below, including the following information: (a) notification that a wire transfer has been made; (b) the amount of the wire transfer; and (c) return wire transfer instructions in the event such bid is unsuccessful. Checks submitted for Deposits by unsuccessful bidders will be returned; wire transfer Deposits submitted by unsuccessful bidders will not be accepted or shall be returned in the same manner received on the Sale Date. The Issuer reserves the right to withhold reasonable charges for any fees or expenses incurred in returning a wire transfer Deposit. No interest on the Deposit will be paid by the Issuer. If a bid is accepted, the Deposit, or the proceeds thereof, will be held by the Issuer until the Successful Bidder has complied with all of the terms and conditions of this Notice at which time the amount of said Deposit shall be returned to the Successful Bidder or deducted from the purchase price at the option of the Issuer. If a bid is accepted but the Issuer fails to deliver the Bonds to the Successful Bidder in accordance with the terms and conditions of this Notice, said Deposit, or the proceeds thereof, will be returned to the Successful Bidder. If a bid is accepted but the bidder defaults in the

performance of any of the terms and conditions of this Notice, the proceeds of such Deposit will be retained by the Issuer as and for liquidated damages.

Basis of Award. Subject to the timely receipt of the Deposit set forth above, the award of the Bonds will be made on the basis of the lowest true interest cost (“TIC”), which will be determined as follows: the TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the Bonds, from the payment dates to the Dated Date, produces an amount equal to the price bid, including any adjustments for premium or discount, if any. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. Bidders are requested to provide a calculation of the TIC for the Bonds on the Official Bid Form, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the Issuer or the bidder. The Issuer or its Financial Advisor will verify the TIC based on such bids. If there is any discrepancy between the TIC specified and the bid price and interest rates specified, the specified bid price and interest rates shall govern and the TIC specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest TIC are received, the Governing Body will determine which bid, if any, will be accepted, and its determination is final.

The Issuer reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any bid received after the Submittal Hour on the Sale Date will not be considered. Any disputes arising hereunder shall be governed by the laws of the State, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within the State with regard to such dispute.

The Issuer’s acceptance of the Successful Bidder’s proposal for the purchase of the Bonds in accordance with this Notice of Bond Sale shall constitute a bond purchase agreement between the Issuer and the Successful Bidder for purposes of the laws of the State and a contract between the Issuer and the Successful Bidder for the purposes of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) and Rule G-32 of the Municipal Securities Rulemaking Board (“Rule G-32”). The method of acceptance shall be determined solely by the Governing Body.

Bond Ratings. {The Issuer has **not** applied for a rating on the Bonds herein offered for sale.}

Optional Bond Insurance. The Issuer has **not** applied for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance, and any bidder desires to purchase such policy, such indication and the name of the desired insurer must be set forth on the bidder’s Official Bid Form. The Issuer specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the Issuer.

If the Successful Bidder elects to purchase the Bonds with municipal bond insurance, certain rating agencies will assign their ratings to the Bonds with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by such bond insurer. All costs associated with the purchase and issuance of such municipal bond insurance policy and associated ratings and expenses (other than any independent rating requested by the Issuer) shall be paid by the Successful Bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the Successful Bidder to accept delivery of the Bonds.

CUSIP Numbers. CUSIP identification numbers will be assigned and printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance

with the terms of this Notice. The Financial Advisor will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds will be paid by the Issuer.

Delivery and Payment. The Issuer will pay for the preparation of the Bonds and will deliver the Bonds properly prepared, executed and registered without cost on or about **MAY 29, 2025** (the “Closing Date”), to DTC for the account of the Successful Bidder or at such bank or trust company in the contiguous United States of America as may be specified by the Successful Bidder, or elsewhere at the expense of the Successful Bidder. The Successful Bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds shall be made in federal reserve funds, immediately available for use by the Issuer. The Issuer will deliver one Bond of each maturity registered in the nominee name of DTC.

Establishment of Issue Price.

(a) In order to provide the Issuer with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the “Code”), the Successful Bidder will be required to assist the Issuer in establishing the “issue price” of the Bonds and complete, execute and deliver to the Issuer prior to the Closing Date, a written certification in a form acceptable to the Successful Bidder, the Issuer and Bond Counsel (the “Issue Price Certificate”) containing the following for each maturity of the Bonds: (1) the interest rate; (2) the reasonably expected initial offering price to the “public” (as said term is used in Treasury Regulation Section 1.148-1(f) (the “Regulation”)) or the sale price; and (3) pricing wires or equivalent communications supporting such offering or sale price. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the Bonds for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Bonds for sale to the public. Any action to be taken or documentation to be received by the Issuer pursuant hereto may be taken or received by the Financial Advisor or Bond Counsel on behalf of the Issuer.

(b) The Issuer intends that the sale of the Bonds pursuant to this Notice shall constitute a “competitive sale” as defined in the Regulation. In support thereof: (1) the Issuer shall cause this Notice to be disseminated to potential bidders in a manner reasonably designed to reach potential bidders; (2) all bidders shall have an equal opportunity to submit a bid; (3) the Issuer reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Bonds; and (4) the Issuer anticipates awarding the sale of the Bonds to the bidder that provides a bid with the lowest TIC in accordance with the section hereof entitled “Basis of Award.”

(c) Any bid submitted pursuant to this Notice shall be considered a firm offer for the purchase of the Bonds as specified therein. The Successful Bidder shall constitute an “underwriter” as said term is defined in the Regulation. By submitting its bid, the Successful Bidder confirms that it shall require any agreement among underwriters, a selling group agreement or other agreement to which it is a party relating to the initial sale of the Bonds, to include provisions requiring compliance with provisions of the Code and the Regulation regarding the initial sale of the Bonds.

(d) If all of the requirements of a “competitive sale” are not satisfied, the Issuer shall advise the Successful Bidder of such fact at the time of award of the sale of the Bonds to the Successful Bidder and the following provisions shall apply to the Bonds. ***In such event, any bid submitted will not be subject to cancellation or withdrawal.*** Within twenty-four (24) hours of the notice of award of the sale of the Bonds, the Successful Bidder shall advise the Issuer if a “substantial amount” (as defined in the Regulation

(10%)) of any maturity of the Bonds has been sold to the public and the price at which such substantial amount was sold. The Issuer will treat such sale price as the “issue price” for such maturity, applied on a maturity-by-maturity basis. The Issuer will *not* require the Successful Bidder to comply with that portion of the Regulation commonly described as the “hold-the-offering-price” requirement for the remaining maturities, but the Successful Bidder may elect such option. If the Successful Bidder exercises such option, the Issuer will apply the initial offering price to the public provided in the bid as the issue price for such maturities. If the Successful Bidder does not exercise that option, it shall thereafter promptly provide the Issuer the prices at which a substantial amount of such maturities are sold to the public; provided such determination shall be made and the Issuer notified of such prices not later than three (3) business days prior to the Closing Date. ***Any change in the issue price of any of the Bonds after the Submittal Hour will not affect the purchase price for the Bonds submitted in the bid of the Successful Bidder.***

(e) This agreement by the Successful Bidder to provide such information will continue to apply after the Closing Time if: (a) the Issuer requests the information in connection with an audit or inquiry by the Internal Revenue Service (the “IRS”) or the Securities and Exchange Commission (the “SEC”) or (b) the information is required to be retained by the Issuer pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

Preliminary Official Statement and Official Statement. The Issuer has prepared a Preliminary Official Statement dated April [], 2025, “deemed final” by the Issuer except for the omission of certain information as provided in the Rule, copies of which may be obtained from the Clerk or from the Financial Advisor. Upon the sale of the Bonds, the Issuer will adopt the final Official Statement and will furnish the Successful Bidder, without cost, within seven business days of the acceptance of the Successful Bidder’s proposal, with a sufficient number of copies thereof, which may be in electronic format, in order for the Successful Bidder to comply with the requirements of the Rule and Rule G-32. Additional copies may be ordered by the Successful Bidder at its expense.

Continuing Disclosure. In the Bond Resolution, the Issuer has covenanted to annually provide certain financial information and operating data and other information necessary to comply with the Rule, and to transmit the same to the Municipal Securities Rulemaking Board. This covenant is for the benefit of and is enforceable by any Registered Owner of the Bonds. For further information, reference is made to the caption “CONTINUING DISCLOSURE” in the Preliminary Official Statement.

Assessed Valuation and Indebtedness. The total assessed valuation of the taxable tangible property within the Issuer for the year 2024 is as follows:

| | |
|---|-------|
| Equalized Assessed Valuation of | |
| Taxable Tangible Property | \$[] |
| Tangible Valuation of Motor Vehicles | [] |
| Equalized Assessed Tangible Valuation | |
| for Computation of Bonded Debt Limitations..... | \$[] |

The total general obligation indebtedness of the Issuer as of the Dated Date, including the Bonds being sold, is \$4,275,000.

Legal Opinion. The Bonds will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel to the Issuer, which opinion will be furnished and paid for by the Issuer, will be printed on the Bonds, if the Bonds are printed, and will be delivered to the Successful Bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond

Counsel relating to the interest on the Bonds being excludable from gross income for federal income tax purposes and exempt from income taxation by the State. Reference is made to the Preliminary Official Statement for further discussion of federal and State income tax matters relating to the interest on the Bonds.

Electronic Transactions. The transactions described herein may be conducted and related documents may be sent, received and stored by electronic means or transmissions. All bid documents, closing documents, certificates, ordinances, resolutions and related instruments may be executed by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Additional Information. Additional information regarding the Bonds may be obtained from the undersigned or from the Financial Advisor at the addresses set forth below:

DATED: April 8, 2025.

CITY OF OSAGE CITY, KANSAS

By: Amy Woodward, Clerk

Issuer Address:

201 South 5th
Osage City, Kansas 66523
Attn: Amy Woodward, Clerk
Phone No.: (785) 528-3714
Fax No.: (785) 528-3022
Email: awoodward@osagecity.com

Financial Advisor – Facsimile and Email Bid and Good Faith Deposit Delivery Address:

Ranson Financial Group
200 W. Douglas, Suite 110
Wichita, Kansas 67202
Attn: Larry Kleeman
Phone No.: (316) 264-3400
Fax No.: (316) 265-5403
Email: larry@citycode.com
Bid Email: bids@ransonfinancial.com

SUMMARY NOTICE OF BOND SALE

\$3,265,000*

**CITY OF OSAGE CITY, KANSAS
GENERAL OBLIGATION BONDS, SERIES 2025**

(GENERAL OBLIGATION BONDS PAYABLE FROM UNLIMITED AD VALOREM TAXES)

Bids. SUBJECT to the Notice of Bond Sale dated April 8, 2025 (the "Notice"), facsimile, email and electronic bids will be received on behalf of the Clerk of the City of Osage City, Kansas (the "Issuer") in the case of facsimile or email bids, at the address set forth below, and in the case of electronic bids, through **PARITY**® until 11:00 A.M. applicable Central Time, on **MAY 13, 2025** for the purchase of the above-referenced bonds (the "Bonds"). No bid of less than **98.5%** of the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered.

Bond Details. The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated May 29, 2025, and will become due on September 1 in the years as follows:

| <u>Year</u> | <u>Principal Amount*</u> | <u>Year</u> | <u>Principal Amount*</u> |
|-------------|--------------------------|-------------|--------------------------|
| 2026 | \$250,000 | 2031 | \$335,000 |
| 2027 | 290,000 | 2032 | 345,000 |
| 2028 | 300,000 | 2033 | 360,000 |
| 2029 | 310,000 | 2034 | 370,000 |
| 2030 | 320,000 | 2035 | 385,000 |

* Subject to change, see the Notice

The Bonds will bear interest from the date thereof at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2026.

Book-Entry-Only System. The Bonds shall be registered under a book-entry-only system administered through DTC.

Paying Agent and Bond Registrar. Treasurer of the State of Kansas, Topeka, Kansas.

Good Faith Deposit. Each bid shall be accompanied (in the manner set forth in the Notice) by a good faith deposit in the form of a cashier's or certified check drawn on a bank located in the United States of America or a wire transfer in Federal Reserve funds immediately available for use by the Issuer in the amount of \$65,300.

Delivery. The Issuer will pay for preparation of the Bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or about **May 29, 2025**, to DTC for the account of the successful bidder or at such bank or trust company in the contiguous United States of America as may be specified by the successful bidder, or elsewhere at the expense of the successful bidder.

Assessed Valuation and Indebtedness. The Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations for the year 2024 is \$[_____]. The total general obligation indebtedness of the Issuer as of the Dated Date, including the Bonds being sold, is \$4,275,000.

Approval of Bonds. The Bonds will be sold subject to the legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel to the Issuer, whose approving legal opinion as to the validity of the Bonds will be furnished and paid for by the Issuer, printed on the Bonds and delivered to the successful bidder as and when the Bonds are delivered.

Additional Information. Additional information regarding the Bonds may be obtained from the undersigned, or from the Financial Advisor at the addresses set forth below:

DATED: April 8, 2025.

Issuer Address:

201 South 5th
Osage City, Kansas 66523
Attn: Amy Woodward, Clerk
Phone No.: (785) 528-3714
Fax No.: (785) 528-3022
Email: awoodward@osagecity.com

Financial Advisor – Facsimile and Email Bid and Good Faith Deposit Delivery Address:

Ranson Financial Group
200 W. Douglas, Suite 110
Wichita, Kansas 67202
Attn: Larry Kleeman
Phone No.: (316) 264-3400
Fax No.: (316) 265-5403
Email: larry@citycode.com
Bid Email: bids@ransonfinancial.com

KANSAS REGISTER

DOCUMENT NO. _____

(Above space for Register Office Use)

Submission Form
Municipal Bond Sale Notice
(K.S.A. 10-106 as amended)

TITLE OF
DOCUMENT

SUMMARY NOTICE OF BOND SALE
Re: City of Osage City, Kansas, General Obligation Bonds, Series 2025, Dated May 29, 2025.

NUMBER OF PAGES: []

DESIRED PUBLICATION DATE: April 24, 2025

BILL TO: Amy Woodward, Clerk
201 South 5th
Osage City, Kansas 66523

Please email an Affidavit of Publication to: cmcmillan@gilmorebell.com at your earliest opportunity.

Any questions regarding this document should be directed to:

NAME: _____

PHONE: (316) 267-2091

Certification

I hereby certify that I have reviewed the attached and herein described document, and that it conforms to all applicable *Kansas Register* publication guidelines. I further certify that submission of this item for publication in the *Kansas Register* is authorized by the municipality which has issued the notice.

Authorized Signature

Typed Name of Signer

Position

TRANSMIT TO: Kansas Register; Secretary of State; State Capitol, Topeka, KS 66612
PHONE: (785) 296-3489; FAX: (785) 291-3051; EMAIL: kansasregister@sos.ks.gov

THIS SPACE FOR REGISTER OFFICE USE ONLY

OFFICIAL BID FORM
 PROPOSAL FOR THE PURCHASE OF CITY OF OSAGE CITY, KANSAS
 GENERAL OBLIGATION BONDS, SERIES 2025

May 13, 2025

TO: Amy Woodward, Clerk
 City of Osage City, Kansas

For \$3,265,000* principal amount of General Obligation Bonds, Series 2025, of the City of Osage City, Kansas (the "Issuer"), to be dated May 29, 2025, as described in the Notice of Bond Sale dated April 8, 2025 (the "Notice"), said Bonds to bear interest as follows:

| Stated Maturity September 1 | Principal Amount* | Annual Rate of Interest | Initial Offering Price | Stated Maturity September 1 | Principal Amount* | Annual Rate of Interest | Initial Offering Price |
|-----------------------------|-------------------|-------------------------|------------------------|-----------------------------|-------------------|-------------------------|------------------------|
| 2026 | \$250,000 | []% | []% | 2031 | \$335,000 | []% | []% |
| 2027 | 290,000 | []% | []% | 2032 | 345,000 | []% | []% |
| 2028 | 300,000 | []% | []% | 2033 | 360,000 | []% | []% |
| 2029 | 310,000 | []% | []% | 2034 | 370,000 | []% | []% |
| 2030 | 320,000 | []% | []% | 2035 | 385,000 | []% | []% |

* Subject to change, see the Notice

the undersigned will pay the purchase price for the Bonds set forth below, plus accrued interest to the date of delivery.

Principal Amount \$3,265,000*.00
 Less Discount (not to exceed 1.50%) -
 Plus Premium (if any) \$
 Total Purchase Price \$
 Total interest cost to maturity at the rates specified \$
 Net interest cost (adjusted for Discount and/or Premium) \$
 True Interest Cost %

- The Bidder elects to purchase Municipal Bond Insurance from (circle one of the following): [AG] [BAM]
- The Bidder elects to have the following Term Bonds:

| Maturity Date | Years | Amount* |
|-------------------|----------------|----------|
| September 1, ____ | _____ to _____ | \$ _____ |
| September 1, ____ | _____ to _____ | \$ _____ |

*subject to mandatory redemption requirements in the amounts and at the times shown above.

This proposal is subject to all terms and conditions contained in the Notice, and if the undersigned is the Successful Bidder, the undersigned will comply with all of the provisions contained in the Notice. A cashier's or certified check or a wire transfer in the amount of \$65,300 payable to the order of the Issuer, submitted in the manner set forth in the Notice accompanies this proposal as an evidence of good faith. The acceptance of this proposal by the Issuer by execution below shall constitute a contract between the Issuer and the Successful Bidder for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission and a bond purchase agreement for purposes of the laws of the State of Kansas.

Submitted by: _____

(LIST ACCOUNT MEMBERS ON REVERSE)

By: _____
 Telephone No. (____) _____

ACCEPTANCE

Pursuant to action duly taken by the Governing Body of the Issuer the above proposal is hereby accepted on May 13, 2025.

Attest:

 Clerk

 Mayor

NOTE: No additions or alterations in the above proposal form shall be made, and any erasures may cause rejection of any bid. Facsimile bids may be filed with Ranson Financial Group, Fax No. (316) 265-5403, email bids may be sent to Ranson Financial Group at bids@ransonfinancial.com, and electronic bids may be submitted via **PARITY**®, at or prior to 11:00 A.M. applicable Central Time, on May 13, 2025. Any bid received after such time will not be accepted or shall be returned to the bidder.

600945.20021\SALEDOCS

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
1/7/2025

TIME
7:00 P.M.

| | | |
|---------------------------|---|-------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Sewer | APPROVED FOR AGENDA: |
| ITEM NO. 4 | BY: Dale Schwieger, Utilities Director | BY: |

ITEM:

Change order # 2 for 2023 Sanitary Sewer Improvements

BACKGROUND:

This change order would allow Infrastructure Solutions to bring a camera crew to video the alley between 8th and 9th Streets, from Lincoln to Prospect. In the last two years, we have needed to jet this line three times, removing mud and debris each time.

The additional cost to have the camera work completed is \$2,712.00.

FISCAL NOTE:

This would change or contract the price for the sewer improvements to \$2,578,284.17.

COUNCIL ACTION:

1. To approve Change orders 1a and 1b
2. To reject Change orders 1a and 1b
3. Table for a later discussion

STAFF RECOMMENDATION:

To approve the change orders 1a and 1b. This will allow staff to see what is happening between Lincoln and Prospect Streets in this sewer section.

MOTION:

I move we approve Change Order No. 2 for the KWPCRF Project No. C20 1677 01 for an increase of \$\$2,712 for a total revised contract price of \$2,578,284.17

**Change Order
No. 02**

Contract: 2023 Sanitary Sewer Improvements
Project: KWPCRF Project No. C20 1677 01
Notice-To-Proceed Date: November 26, 2024

BMCD Project No.: 159878

Owner: City of Osage City, Kansas

Date of Issuance: April 8, 2025
Effective Date: April 8, 2025

Contractor: Infrastructure Solutions, LLC.
9801 Renner Boulevard, Suite 300
Lenexa, Kansas 66219-9745

Engineer: Burns & McDonnell

The below noted modification(s) to the 2023 Sanitary Sewer Improvements Contract are directed by OWNER and accepted by CONTRACTOR:

Description of Change Order:

1. Property owners in the area bound by approximately Lincoln Street on the north, Prospect Street on the south, 8th Street on the west, and 9th Street on the east have reported slow drains that is assumed to be partially the result of defective pipe between manholes L11-6 and L11-5. To better identify any problems with the public infrastructure, the Owner directed the Contractor to perform internal CCTV sewer pipe inspection of the 8-inch diameter pipe between manholes L11-6 and L11-5. Findings may necessitate future repairs of the existing pipe and manholes. Any repairs that may be directed under this Contract will be approved via Change Order prior to initiation.

As a result of the additional internal CCTV sewer pipe inspection, adjust the Bid Item quantities as follows:

- a. Bid Item No. B-1: Pre-Construction Internal CCTV Sewer Pipe Inspection. Add 379 linear feet of sewer pipe inspection. The revised estimated quantity for Item No. B-1 is 6,772 linear feet.
- b. Bid Item No. A-1. Mobilization. The Contractor's pipe inspection subcontractor previously demobilized from the site. To perform the additional pipe inspection, the Owner has agreed to pay a mobilization expense, including acceptable overhead and profit in accordance with the General Conditions of the Contract Specifications. Unit prices are not available for the additional work associated with remobilization. As a result, add \$1,575.00 to the lump sum cost of this bid item.

Contract Time Affected by Change Order:

| | <u>Substantial Completion</u> | <u>Final Completion</u> |
|--|-------------------------------|-------------------------|
| Original Contract Time: | 300 calendar days | 330 calendar days |
| Add or Deduct Previous Change Orders: | 0 calendar days | 0 calendar days |
| Add or Deduct this Change Order: | 0 calendar days | 0 calendar days |
| Total Add or Deduct : | 0 calendar days | 0 calendar days |
| Revised Contract Time: | 300 calendar days | 330 calendar days |

Contract Price Affected by Change Order:

| | | |
|------------------|----|----------|
| 1.a. Increase of | \$ | 1,137.00 |
| 1.b. Increase of | \$ | 1,575.00 |

Total Increase in Contract Price this Change Order: \$ 2,712.00

| | | |
|--|----|--------------|
| Original Contract Price: | \$ | 2,568,852.00 |
| Add or Deduct Previous Change Orders: | \$ | 6,720.17 |
| Add or Deduct this Change Order: | \$ | 2,712.00 |
| Total Add or Deduct : | \$ | 9,432.17 |
| Revised Contract Price: | \$ | 2,578,284.17 |

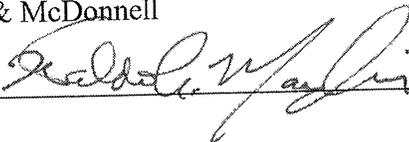
Attachments:

Unit prices as shown on the Bid Form were used to calculate the price change for Item No. 1.

Agreement:

Recommended:

Burns & McDonnell

By:  _____

Date: 04/04/2025

Approved:

Infrastructure Solutions, LLC

By: _____

Date: _____

Change Order No. 02

Page 3

Authorized:

City of Osage City, Kansas

By: _____ Date: _____

The price and/or time extension set forth in this Change Order is full compensation for all costs and delays, direct and indirect, incurred in connection with the conditions giving rise to this Change Order, the work specified herein, and any consequential costs, delays, or effects on unchanged work resulting therefrom.

This Change Order, when executed, constitutes a modification to the Contract and all provisions of the Contract, except as modified above and by any previous Change Orders, shall apply hereto. This Change Order is not in effect unless signed by all parties indicated.

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
04/8/2025

TIME
7:00 P.M.

| | | |
|---------------------------|---|-------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Administration | APPROVED FOR AGENDA: |
| ITEM NO. 5 | BY: Katie Hodge, City Manager | BY: KH |

ITEM:

Ordinance No. 1696 Surcharge for all Electric Customers

BACKGROUND:

Ordinance No. 1696 creates a surcharge for all Osage City electric customers to recover expenses associated with buying, building or repairing additional existing generation equipment.

The City of Osage City passed an ordinance like #1696 (Ordinance No. 1525) in 2010 with a November billing 2015 sunset for the purpose of establishing a surcharge to cover expenses specifically related to the purchase for the 2050 KW Fairbanks Morse engine from Greensburg, Ks.

FISCAL NOTE:

Please refer to the subsequent document following this sheet that was discussed at the March 25th council meeting for estimated costs for all electric customers. This surcharge will be adjusted annually with a 3-year look back on total sales average and adjusted for significant known changes in city load. The surcharge at this moment in time will be established to cover the cost of the CAT engines for the Power Plant.

STAFF RECOMMENDATION:

Approve Ordinance No. 1696 which allows the City of Osage City to charge a surcharge that will pay for the associated expenses related to the bond for the CAT engines. This ordinance will also allow the city to adjust the rate as loads and sales change

COUNCIL ACTION:

1. Approve Ordinance No. 1696
2. Reject Ordinance No. 1696
3. Table for a later discussion

MOTION:

I move we approve Ordinance No.1696 repealing Ordinance No. 1525 and creating a surcharge for all Osage City electric customers to recover expenses associated with buying, building or repairing additional existing generation equipment.

ORDINANCE NO. 1696

AN ORDINANCE CREATING A SURCHARGE FOR ALL ELECTRIC CUSTOMERS OF THE CITY OF OSAGE CITY, FOR THE PURPOSES OF RECOVERING EXPENSES SPECIFICALLY ASSOCIATED WITH BUYING, BUILDING OR REPAIRING ADDITIONAL OR EXISTING GENERATION EQUIPMENT.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAGE CITY, KANSAS to-wit:

Section 1. A surcharge shall be established for the purpose of recovering the costs of building, financing, or repairing new or existing generation equipment and all necessary infrastructure appurtenances. This surcharge shall be applied equally across all kWhs purchased by all electric customers served inside or outside the city limits, and shall be in addition to the rates as set forth in Ordinance Number 1489, as follows:

CHARGES;

- (a) A surcharge equal to the total expenditure of either payments, bond payments, or other project costs spread across the total utility sales and applied to the usage of each utility customer on a per kilowatt hour basis.

TERM;

- (a) The surcharge will become effective with the first billing after an estimated or actual cost is determined and will be re-adjusted annually based on the previous 3 years total sales average, adjusted for significant known changes in city load.
- (b) The surcharge will be applied based on individual project cost and will terminate on its own once the project cost has been recovered.
- (c) Multiple projects will have various termination dates based on how the utility spreads the cost of each project

PASSED AND APPROVED this 8th day of April, 2025

Brian Stromgren, Mayor

ATTEST:

Amy Woodward, City Clerk

ORDINANCE NO. 1525

AN ORDINANCE CREATING A SURCHARGE FOR ALL ELECTRIC CUSTOMERS, EXCLUDING THOSE TAKING SERVICE UNDER THE HIGH LOAD FACTOR RATE, OF THE CITY OF OSAGE CITY, FOR THE PURPOSE OF FINANCING ADDITIONAL ELECTRIC GENERATION EQUIPMENT.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAGE CITY, KANSAS, to-wit:

Section 1. A surcharge shall be established for the purpose of financing the addition of one 2,050 KW Fairbanks Morse engine, generator and all necessary appurtenances. This surcharge shall be applied equally to all electric customers served inside and outside the corporate boundaries of the City, with the exception of any customers served under the High Load Factor Rate, and shall be in addition to the rates as set forth in Ordinance Number 1489, as follows:

CHARGES;

- (a) A surcharge of \$0.002825 will be added to the unit (per kilowatt hour) cost for all electric customers served by the City, as described above in Section 1.

TERM;

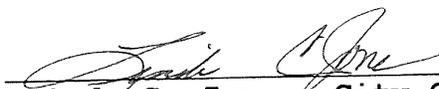
- (a) The surcharge will become effective with the first billing after November 15, 2010 and shall remain in effect through and including the first billing after November 15, 2015.

PASSED AND APPROVED this 26th day of October, 2010.



Quintin Robert, Mayor

ATTEST:



Linda C. Jones, City Clerk

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
04/8/2025

TIME
7:00 P.M.

| | | |
|---------------------------|---|-------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Administration | APPROVED FOR AGENDA: |
| ITEM NO. 7 | BY: Katie Hodge, City Manager | BY: KH |

ITEM:

Ordinance No. 1697 Electric Customer User Rates repealing Ordinance No. 1688

BACKGROUND:

Ordinance No. 1697 is repealing Ordinance No. 1688 and correcting the typo to the following formula. In addition we are changing the words “# of days in annual billing cycle” to “# of days in the previous twelve month billing cycle”.

Monthly Loadfactor =

Actual KWHS x 100

((Actual Demand) x (# days in monthly billing cycle) x(24))

Annual Loadfactor =

Actual KWHS x 100

((Peak Demand in June through September) x (~~# days in annual billing cycle~~) (# of days in the previous 12 monthly billing cycles) x (24))

“x 100” was inadvertently listed in the formula. The load factor is figured by actual KWHS divided by demand multiplied by the number of days in an annual billing cycle multiplied by 24.

The change in the wording from “annual” to “twelve monthly” does not change anything, it only clarifies.

FISCAL NOTE:

STAFF RECOMMENDATION:

Approve Ordinance No. 1697 fixing the typo

COUNCIL ACTION:

1. Approve Ordinance No. 1697

MOTION:

I move we approve Ordinance No. 1697, repealing Ordinance No. 1688

ORDINANCE NO. 1697

AN ORDINANCE ESTABLISHING ELECTRIC CUSTOMER USER RATES AND REPEALING ORDINANCE 1688. BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAGE CITY, KANSAS,

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAGE CITY, KANSAS, to-wit:

Section 1.

15-301 CHARGES; RESIDENTIAL USERS.

(a) For customers served within the corporate boundaries of the City, the following charges shall be effective with the first billing after October 1, 2024:

(1) A rate of \$0.08836 per KWH consumed and a Customer Meter Charge of \$13.00 during each monthly billing period.

(b) For customers served beyond the corporate boundaries of the City, the following charges shall be effective with the first billing after October 1, 2024:

(1) A rate of \$0.09277 per KWH consumed and a Customer Meter Charge of \$13.65 during each monthly billing period.

15-302 CHARGES; SMALL COMMERCIAL USERS

(a) For customers served within the corporate boundaries of the City, the following charges shall be effective with the first billing after October 11, 2024:

- (1) A rate of \$0.08836 per KWH consumed and a Customer Meter Charge of \$13.00 during each monthly billing period.

(b) For customers served beyond the corporate boundaries of the City, the following charges shall be effective with the first billing after October 1, 2024:

- (2) A rate of \$0.09277 per KWH consumed and a Customer Meter Charge of \$13.65 during each monthly billing period.

15-303 CHARGES; LARGE COMMERCIAL CUSTOMER Users

(a) For customers served within the corporate boundaries of the City and who have a peak demand that exceeds 30 kW anytime within a calendar year, the following charges shall be effective with the first billing after October 1, 2024.

- (1) A demand rate of \$10.50 per kW for the billing demand

(a) The billing demand shall be the greater of 30 kW, or 50% of the highest billing demand established during the previous 12 months, or the actual metered kW registered over the highest 15 minute period in the current billing period.

- (2) An energy rate of \$0.055 per kWh consumed during the monthly billing period

- (3) A customer meter charge of \$ 13.00 during each monthly billing period

- (4) Customers must take service under this rate for a 12 month period and can only change rate schedules once per calendar year.

(b) For customers served beyond the corporate

boundaries of the City and who have a peak demand that exceeds 30 kW anytime within a calendar year, the following charges shall be effective with the first billing after October 1, 2024.

- (1) A demand rate of \$11.03 per kW for the billing demand
 - (a) the actual metered kW registered over the highest 15 minute period in the current billing period.
- (2) An energy rate of \$0.0578 per kWh consumed during the monthly billing period
- (3) A customer meter charge of \$ 13.65 during each monthly billing period
- (4) Customers must take service under this rate for a 12 month period and can only change rate schedules once per calendar year.

15-304 repealed

15-307 HIGH LOAD FACTOR RATE

- (a) The following charges shall be made beginning with the first billing after May 15, 2012 for electrical energy supplied by the city to qualifying large business users that have an annual minimum energy usage of 5.0 million KWH, and further meet the loadfactor requirements described in Subparagraph (2).
- (1) A rate of \$0.005 per KWH over the actual cost of energy per kilowatt hour (KWH). The actual cost of energy will be calculated on a quarterly basis over a 1-year rolling average, and will include the total delivered cost of the city's purchased power and the cost of fuel to generate power on site, plus all relevant operation and maintenance cost.

(2) The High Load Factor rate requires an annual minimum energy usage of 5.0 million KWH, with an annual load factor of 65%, and a monthly loadfactor of 60%. If annual usage falls below this minimum amount or the annual or monthly loadfactor falls below 65% or 60%, respectively for any calendar year month, the City will bill and collect the additional KWH difference, charged at \$0.005 per KWH, plus actual Operation and Maintenance (O&M) cost established over the previous 12 months. Loadfactors will be calculated using the following formulas:

% Monthly Loadfactor=

$$\frac{\text{Actual KWHS}}{((\text{Actual Demand}) \times (\# \text{ days in monthly billing cycle}) \times (24))}$$

% Annual Loadfactor=

$$\frac{\text{Actual KWHS}}{((\text{Peak Demand in June through September}) \times (\# \text{ days in the previous 12 monthly billing cycles}) \times (24))}$$

(3) CAPACITY CHARGE:

Billing capacity shall be the greater of 500 kW, 50% of the highest billing capacity established during the previous 12 months, or the actual metered KW registered over the highest 15-minutes period in the billing months.

(a) Billing capacity charge is \$3.00 per KW per billing month.

(4) For High Load Factor Rate Customers served within the corporate boundaries of the City a Customer Meter Charge of \$13.00 will be applied during each monthly billing period.

(5) For High Load Factor Rate Customers served beyond the corporate boundaries of the City, A customer Meter Charge of \$13.65 will be

applied during each monthly billing period.

- (6) The City reserves the right to limit the number of customers served under this rate at any given time.

15-308 ENERGY COST ADJUSTMENT (ECA)

- (a) For all electric users served, within the corporate boundaries of the City:

The rates for energy for all rate schedules shall be increased or decreased by \$0.00001 per KWH for each \$0.00001 increase or decrease in the aggregate cost of energy per KWH as computed by the following

Formula:

$$\left(\left(\frac{\text{The actual total purchased power cost for the previous twelve months}}{\text{The actual total KWHs purchased over the previous twelve months}} \right) - \left(\begin{array}{l} \text{The total cost} \\ \text{of power during} \\ \text{base period} \end{array} \right) \right)$$

$$*107.6\% = \text{ECA}$$

This Energy Cost adjustment will be applicable to all retail rate schedules offered by the City, with the exception of any customers served under the High Load Factor Rate. The cost of power during base period is \$0.0271 per KWH and the average system loss factor is 107.6%.

- (b) For all electric users served outside the corporate boundaries of the City:

The rates of energy for all rate schedules shall be increased or decreased by \$0.00001 per KWH for each \$0.00001 increase or decrease in the aggregate cost of energy per KWH as computed by the following formula:

$$\left(\left(\frac{\text{The actual total purchased power cost for the previous twelve months}}{\text{The actual total KWHs purchased over the previous twelve months}} \right) - \left(\begin{array}{l} \text{The total cost} \\ \text{of power during} \\ \text{base period} \end{array} \right) \right)$$

*112.6% = ECA

This Energy Cost adjustment will be applicable to all retail rate schedules offered by the City, with the exception of any customers served under the High Load Factor Rate. The cost of power during base period is \$0.0271 per KWH and the average system loss factor is 112.6%.

Previous Ordinances No. 1688 is hereby repealed.

PASSED AND APPROVED this 8th day of April, 2024.

Brian Stromgren
Mayor

ATTEST:

Amy Woodward
City Clerk

REPEAL

ORDINANCE NO. 1688

AN ORDINANCE ESTABLISHING ELECTRIC CUSTOMER USER RATES AND REPEALING ORDINANCE 1618. BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAGE CITY, KANSAS,

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAGE CITY, KANSAS, to-wit:

Section 1.

15-301 CHARGES; RESIDENTIAL USERS.

(a) For customers served within the corporate boundaries of the City, the following charges shall be effective with the first billing after October 1, 2024:

(1) A rate of \$0.08836 per KWH consumed and a Customer Meter Charge of \$13.00 during each monthly billing period.

(b) For customers served beyond the corporate boundaries of the City, the following charges shall be effective with the first billing after October 1, 2024:

(1) A rate of \$0.09277 per KWH consumed and a Customer Meter Charge of \$13.65 during each monthly billing period.

15-302 CHARGES; SMALL COMMERCIAL USERS

(a) For customers served within the corporate boundaries of the City, the following charges shall be effective with the first billing after October 11, 2024:

- (1) A rate of \$0.08836 per KWH consumed and a Customer Meter Charge of \$13.00 during each monthly billing period.

(b) For customers served beyond the corporate boundaries of the City, the following charges shall be effective with the first billing after October 1, 2024:

- (2) A rate of \$0.09277 per KWH consumed and a Customer Meter Charge of \$13.65 during each monthly billing period.

15-303 CHARGES; LARGE COMMERCIAL CUSTOMER Users

(a) For customers served within the corporate boundaries of the City and who have a peak demand that exceeds 30 kW anytime within a calendar year, the following charges shall be effective with the first billing after October 1, 2024.

- (1) A demand rate of \$10.50 per kW for the billing demand

(a) The billing demand shall be the greater of 30 kW, or 50% of the highest billing demand established during the previous 12 months, or the actual metered kW registered over the highest 15 minute period in the current billing period.

- (2) An energy rate of \$0.055 per kWh consumed during the monthly billing period
- (3) A customer meter charge of \$ 13.00 during each monthly billing period
- (4) Customers must take service under this rate for a 12 month period and can only change rate schedules once per calendar year.

(b) For customers served beyond the corporate

boundaries of the City and who have a peak demand that exceeds 30 kW anytime within a calendar year, the following charges shall be effective with the first billing after October 1, 2024.

- (1) A demand rate of \$11.03 per kW for the billing demand
 - (a) the actual metered kW registered over the highest 15 minute period in the current billing period.
- (2) An energy rate of \$0.0578 per kWh consumed during the monthly billing period
- (3) A customer meter charge of \$ 13.65 during each monthly billing period
- (4) Customers must take service under this rate for a 12 month period and can only change rate schedules once per calendar year.

15-304 repealed

15-307 HIGH LOAD FACTOR RATE

- (a) The following charges shall be made beginning with the first billing after May 15, 2012 for electrical energy supplied by the city to qualifying large business users that have an annual minimum energy usage of 5.0 million KWH, and further meet the loadfactor requirements described in Subparagraph (2).
- (1) A rate of \$0.005 per KWH over the actual cost of energy per kilowatt hour (KWH). The actual cost of energy will be calculated on a quarterly basis over a 1-year rolling average, and will include the total delivered cost of the city's purchased power and the cost of fuel to generate power on site, plus all relevant operation and maintenance cost.

(2) The High Load Factor rate requires an annual minimum energy usage of 5.0 million KWH, with an annual load factor of 65%, and a monthly loadfactor of 60%. If annual usage falls below this minimum amount or the annual or monthly loadfactor falls below 65% or 60%, respectively for any calendar year month, the City will bill and collect the additional KWH difference, charged at \$0.005 per KWH, plus actual Operation and Maintenance (O&M) cost established over the previous 12 months. Loadfactors will be calculated using the following formulas:

% Monthly Loadfactor=

$$\frac{\text{Actual KWHS} \times 100}{((\text{Actual Demand}) \times (\# \text{ days in monthly billing cycle}) \times (24))}$$

% Annual Loadfactor=

$$\frac{\text{Actual KWHS} \times 100}{((\text{Peak Demand in June through September}) \times (\# \text{ days in } \text{previous 12 mos.} \text{ billing cycle}) \times (24))}$$

(3) CAPACITY CHARGE:

Billing capacity shall be the greater of 500 kW, 50% of the highest billing capacity established during the previous 12 months, or the actual metered KW registered over the highest 15-minutes period in the billing months.

(a) Billing capacity charge is \$3.00 per KW per billing month.

(4) For High Load Factor Rate Customers served within the corporate boundaries of the City a Customer Meter Charge of \$13.00 will be applied during each monthly billing period.

(5) For High Load Factor Rate Customers served beyond the corporate boundaries of the City, A customer Meter Charge of \$13.65 will be

applied during each monthly billing period.

- (6) The City reserves the right to limit the number of customers served under this rate at any given time.

15-308 ENERGY COST ADJUSTMENT (ECA)

- (a) For all electric users served, within the corporate boundaries of the City:

The rates for energy for all rate schedules shall be increased or decreased by \$0.00001 per KWH for each \$0.00001 increase or decrease in the aggregate cost of energy per KWH as computed by the following

Formula:

$$\left(\left(\frac{\text{The actual total purchased power cost for the previous twelve months}}{\text{The actual total KWHs purchased over the previous twelve months}} \right) - \left(\begin{array}{l} \text{The total cost} \\ \text{of power} \end{array} \right) \right)$$

during base period

*107.6% = ECA

This Energy Cost adjustment will be applicable to all retail rate schedules offered by the City, with the exception of any customers served under the High Load Factor Rate. The cost of power during base period is \$0.0271 per KWH and the average system loss factor is 107.6%.

- (b) For all electric users served outside the corporate boundaries of the City:

The rates of energy for all rate schedules shall be increased or decreased by \$0.00001 per KWH for each \$0.00001 increase or decrease in the aggregate cost of energy per KWH as computed by the following formula:

$$\left(\left(\frac{\text{The actual total purchased power cost for the previous twelve months}}{\text{The actual total KWHs purchased over the previous twelve months}} \right) - \left(\begin{array}{l} \text{The total cost} \\ \text{of power} \end{array} \right) \right)$$

during

base period

*112.6% = ECA

This Energy Cost adjustment will be applicable to all retail rate schedules offered by the City, with the exception of any customers served under the High Load Factor Rate. The cost of power during base period is \$0.0271 per KWH and the average system loss factor is 112.6%.

Previous Ordinances No. 1489 is hereby repealed.

PASSED AND APPROVED this 24th day of _September 24th ,2024.

Brian Stromgren
Mayor

ATTEST:

Amy Woodward
City Clerk

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
04/08/2025

TIME
7:00 P.M.

| | | |
|---------------------------|---|-------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Administration | APPROVED FOR AGENDA: |
| ITEM NO. 8 | BY: Katie Hodge, City Manager | BY: KH |

ITEM:

Contract renewal approval with the KMEA and GRDA

BACKGROUND:

The City of Osage has partnered with KMEA and GRDA for energy under the following contract since 2005. Under the current contract, the City of Osage City is receiving 2.75 MW of energy. For the renewal contract the City of Osage City will reduce the energy needed from 2.75 MW to 1 MW.

In February, the Council approved 1.75 MW with GRDA, but since that meeting a large energy customer has shut down business in Osage City. Therefore, we believe we need to further reduce our number from 1.75 MW to 1 MW with GRDA.

KMEA representatives have reviewed the City's energy needs, along with our energy consultant, Greg Wright, and they have recommended a reduction due to our recent addition of the solar field north of Osage City in combination with our other contracted energy resources.

FISCAL NOTE:

COUNCIL ACTION:

1. Approve Resolution No. 1136 authorizing the power purchase agreement for the Grand River Dam Authority between the City of Osage City and the Kansas Municipal Energy Agency
2. Authorize the Mayor to sign the purchase power agreement on behalf of the City of Osage City

MOTION:

1. I move that we repeal Resolution No.1131 and approve Resolution No. 1136 authoring the execution of the power purchase agreement (Grand River Dam Authority Power Supply Project No. 2) between the City of Osage City, Kansas and the Kansas Municipal Energy Agency; and making certain covenants and agreements to provide for the payment and security and authorizing certain documents and actions in connection.
2. I move that we authorize the mayor to sign the purchase power agreement

RESOLUTION NO. 11310

A RESOLUTION OF THE CITY OF OSAGE CITY KANSAS, AUTHORIZING THE EXECUTION OF THE POWER PURCHASE AGREEMENT (GRAND RIVER DAM AUTHORITY POWER SUPPLY PROJECT NO. 2) BETWEEN THE CITY OF OSAGE CITY KANSAS, AND THE KANSAS MUNICIPAL ENERGY AGENCY; AND MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

WHEREAS, KMEA is a municipal energy corporation organized and existing under the laws of the State of Kansas, including K.S.A. 12-885 *et seq.*; and

WHEREAS, City owns or operates a utility furnishing electricity, and the City is a member in good standing of KMEA; and

WHEREAS, City is authorized to enter into contracts for the supply of electricity from any person, firm, corporation or other municipality for a period not in excess of forty (40) years under K.S.A. 12-825j; and

WHEREAS, KMEA contracted with the Grand River Dam Authority ("GRDA") under a Power Purchase and Sale Agreement, and related amendments (the "GRDA Agreement"); and

WHEREAS, City entered into a Power Purchase Agreement with KMEA to take power under the GRDA Agreement, and said Power Purchase Agreement expires April 30, 2026; and

WHEREAS, KMEA has negotiated with GRDA an extension of the GRDA Agreement and has or will execute an amendment to the GRDA Agreement extending the term of the GRDA Agreement from May 1, 2026 through April 30, 2051; and

WHEREAS, City desires to purchase electricity associated with the GRDA Agreement from KMEA for a period from May 1, 2026 through April 30, 2051; and

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

Section 1. Approval. The Power Purchase Agreement (Grand River Dam Authority Power Supply Project No. 2) is hereby approved in substantially the form presented to the governing body this date, with such changes or additions as the Mayor and Clerk shall deem necessary and appropriate.

Section 2. Execution of the Power Purchase Agreement (Grand River Dam Authority Power Supply Project No. 2). The Mayor and Clerk are hereby authorized to execute the Power Purchase Agreement (Grand River Dam Authority Power Supply Project No. 2) in substantially the form presented to the governing body this date, with such changes or additions as the Mayor

and Clerk shall deem necessary and appropriate, such official's signature thereon being conclusive evidence of such official's and the City's approval thereof. The Mayor and Clerk are authorized and directed to execute any and all other documents or certificates necessary to effect the purposes set forth in this Resolution and the Power Purchase Agreement (Grand River Dam Authority Power Supply Project No. 2).

Section 3. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the City.

ADOPTED by the governing body of the City and signed by the Mayor this _____ day of _____, 2025

Mayor

(SEAL)

ATTEST:

City Clerk

**POWER PURCHASE AGREEMENT
(GRAND RIVER DAM AUTHORITY POWER SUPPLY PROJECT NO. 2)**

This Power Purchase Agreement (the "Agreement") is dated as of the ____ day of _____, 2025 by and between the City of Osage City, Kansas, (the "City") and the Kansas Municipal Energy Agency ("KMEA") (collectively, the City and KMEA are referred to as the "Parties" or singularly as the "Party").

WHEREAS, KMEA is a municipal energy corporation organized and existing under the laws of the State of Kansas, including K.S.A. 12-885 *et seq.*; and

WHEREAS, City owns or operates a utility furnishing electricity, and the City is a member in good standing of KMEA; and

WHEREAS, City is authorized to enter into contracts for the supply of electricity from any person, firm, corporation or other municipality for a period not in excess of forty (40) years under K.S.A. 12-825j; and

WHEREAS, KMEA contracted with the Grand River Dam Authority ("GRDA") under a Power Purchase and Sale Agreement, and related amendments (the "GRDA Agreement"), attached hereto as *Appendix A*; and

WHEREAS, City entered into a Power Purchase Agreement with KMEA to take power under the GRDA Agreement, and said Power Purchase Agreement expires April 30, 2026; and

WHEREAS, KMEA has negotiated with GRDA an extension of the GRDA Agreement and has or will execute an amendment to the GRDA Agreement extending the term of the GRDA Agreement from May 1, 2026 through April 30, 2051; and

WHEREAS, City desires to purchase electricity associated with the GRDA Agreement from KMEA for a period from May 1, 2026 through April 30, 2051, in the quantities set forth on *Appendix B* and subject to the terms of this Agreement; and

NOW, THEREFORE, THE CITY OF OSAGE CITY, KANSAS AND THE KANSAS MUNICIPAL ENERGY AGENCY, AGREE AS FOLLOWS:

Article 1. DEFINITIONS

Capitalized words and terms used herein, unless otherwise defined herein or the context requires otherwise, shall have the same meanings ascribed to such words and terms in the GRDA Agreement. Words, phrases or expressions used in this Agreement which are not capitalized terms or otherwise defined herein, and which have an accepted meaning in the custom and usage of the business of buying, selling, generating, delivering, and transmitting electrical capacity, energy or ancillary services or have an accepted meaning according to the North American Electric Reliability Council, hereinafter referred to as NERC, shall have that meaning.

1.01 "Effective Date" shall mean the date first written above.

- 1.02 “*Electricity*” shall include all capacity with reserves and associated energy.
- 1.03 “*GRDA Power Supply Project No. 2 Agreement*” shall mean this Agreement.
- 1.04 “*GRDA Product*” shall mean the Electricity derived from GRDA’s power supply resources including, but not limited to, GRDA’s owned-generating stations and purchase power agreements with 3rd party entities.
- 1.05 “*Governmental Authority*” means any federal or state government, political subdivision thereof, or regulatory or quasi-regulatory authority, including SPP, NERC, applicable regional reliability organization, and any municipality, township or county, or any Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any Person owned or controlled by any of the foregoing.
- 1.06 “*Person*” means an individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture, Governmental Authority, or other entity.
- 1.07 “*Point(s) of Delivery*” shall mean any point at which GRDA delivers electric power and energy at the high side of the generation bus.
- 1.08 “*Service Commencement Date*” shall be May 1, 2026.
- 1.09 “*Term*” shall mean the period of time commencing on the Service Commencement Date and ending on the Termination Date.
- 1.10 “*Termination Date*” shall mean April 30, 2051, or such other date as the Parties may agree in writing, unless terminated earlier in accordance with Article 13 of the GRDA Agreement.

Article 2. CONSTRUCTION

- 2.01 **Interpretation.** Unless the context otherwise requires:
- (a) Words singular and plural in number shall be deemed to include the other and pronouns having masculine or feminine gender shall be deemed to include the other.
 - (b) Any reference in this Agreement to any entity or governmental authority, shall include its successors and assigns and, any entity(ies) succeeding to its functions, authority, and capacities.
 - (c) Any reference in this Agreement to any section, subsection, attachment, article, schedule, appendix or exhibit means and refers to the section or article contained in, or attachment, schedule, appendix or exhibit attached to, this Agreement. All attachments, schedules, appendices and exhibits referred to herein are hereby incorporated by reference.
 - (d) A reference to a specific time for the performance of an obligation is a reference to that time in the place where that obligation is to be performed unless the text indicates otherwise.

- (e) A reference to a document or agreement, including this Agreement, includes a reference to that document or agreement (including any attachments, schedules, appendices and exhibits thereto) as notated, amended, supplemented, or restated from time to time.
- (f) Unless otherwise expressly provided herein, any consent, acceptance, satisfaction, cooperation, or approval required of a Party under this Agreement shall not be unreasonably withheld or delayed.
- (g) Unless otherwise expressly provided herein, “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term.
- (h) The words “hereof,” “herein,” “hereunder,” and other words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

2.02 **Captions.** All indices, titles, subject headings, section titles, and similar items in this Agreement are provided for the purpose of reference and convenience only and are not intended to be inclusive or definitive or to affect the meaning of the contents or scope of this Agreement.

Article 3. RELATIONSHIP WITH DOCUMENTS

- 3.01 Other GRDA Power Supply Project No. 2 Agreements. Except for the identity of the Participants and each City’s capacity and energy amounts as set forth in *Appendix B* (and, as applicable, other information specific to each individual Participant), this Agreement is and shall remain identical to the other GRDA Power Supply Project No. 2 Agreements.
- 3.02 Relationship to SPP Markets. The Parties agree that this Agreement is premised on the continuing ability of KMEA to implement the GRDA Power Supply Project No. 2 within the transmission footprint of SPP and the operation of SPP’s centralized markets. If, during the Term, the GRDA Product is no longer located within the SPP footprint or otherwise operating within SPP’s centralized markets, or if the City’s load will no longer be located within SPP, or if for any other reason the implementation of the GRDA Power Supply Project No. 2 will no longer be conducted within SPP’s centralized markets, then the Parties agree to undertake in good faith negotiations to amend this Agreement to provide for physical delivery to the City of its properly allocable share of the GRDA Product. The Parties acknowledge that no such amendments shall diminish City’s obligation to make payments to KMEA as required pursuant to Article 5.

Article 4. SALE AND PURCHASE

- 4.01 KMEA agrees to sell to the City, and the City agrees to purchase from KMEA, commencing on the Service Commencement Date and extending through the Term hereof, Electricity in the quantities set forth on *Appendix B* to this Agreement, at the prices specified in Exhibit A to the

GRDA Agreement as set forth therein and as may be amended by GRDA during the Term of the GRDA Agreement.

- 4.02 The monthly Capacity Billing Demand and monthly Billing Energy quantities shall, during the Term of this Agreement, be the amounts set forth in *Appendix B* to this Agreement.
- 4.03 The City agrees to receive all of the Electricity, which it is obligated to purchase under this Agreement, at the Point(s) of Delivery. The City agrees to assume all liability whatsoever resulting directly, or indirectly, from the use, misuse, or presence of said electric power and energy from and after the Point(s) of Delivery. The City further agrees to assume its proportionate share of the obligations of KMEA to GRDA under the GRDA Agreement, attached hereto as *Appendix A* and incorporated herein by reference, all as may be amended from time to time.

Article 5. COST RESPONSIBILITY

- 5.01 Cost Responsibility for GRDA Power Supply Project No. 2 Costs. The obligation of the City to make payments under this Agreement shall be absolute, and the failure of KMEA to deliver Energy hereunder shall not relieve the City from its obligation to pay for the City's proportionate share of the expenses incurred by KMEA for the Electricity.
- (a) Each month the City will pay KMEA the City's allocated portion of all amounts to be paid for the Electricity delivered under this Agreement, including, without limitation:
- Basic Charge
 - Capacity Charge, per Capacity Billing kW
 - Energy Charge, per Billing kWh
 - Taxes, Fees and Duties
 - KMEA Administrative Fee as described in Section 5.01(c) herein
- (b) The current rates are provided in Schedule WP-OCA – Wholesale Power Service Outside Control Area contained in Exhibit A to the GRDA Agreement. The rates are subject to the Power Cost Adjustment set forth in Schedule PCA of Schedule WP-OCA. The City acknowledges that the rates are subject to change by GRDA from time to time pursuant to 82 O.S.A. Section 861 *et seq.*, and the City will pay KMEA the rates as established by GRDA under the GRDA Agreement and Schedule WP-OCA. KMEA agrees to promptly communicate to the City any notice from GRDA on Schedule WP-OCA changes.
- (c) The KMEA Administrative Fee each month shall be (i) an amount established by KMEA from time to time based on KMEA's annual budget, plus (ii) where applicable, City's portion of KMEA's costs incurred in the prior month that are related to the GRDA Power Supply Project No. 2 but were not included in KMEA's Budget.

Article 6. PAYMENTS AND BILLING

- 6.01 KMEA is required to pay GRDA either by mail or wire transfer by the due date shown on the bill from GRDA pursuant to Schedule WP-OCA. In order to permit the appropriate transfer of funds from KMEA to GRDA, KMEA will bill the City in advance for deliveries to be made in the following calendar month. KMEA will send the bill to the City by the 20th day of the preceding month, and the City must pay the invoiced amount within thirty (30) days of the date of the bill. If such due date falls on a Saturday, Sunday or holiday, the payment shall be due on the next business day following such Saturday, Sunday or holiday. If payment is not received by KMEA by the date specified in the invoice to the City, a **1.5% per month, late charge** shall be assessed on the full past due amount from the due date until the invoice is paid in full by the City.
- 6.02 In the event the City, acting in good faith, disagrees with the amount of a monthly bill, it shall notify KMEA in writing within eighty (80) days of receiving the bill from KMEA. If the dispute involves amounts billed by GRDA, KMEA will submit a written notice to GRDA contesting such portion of the monthly bill. KMEA is required to submit such written notices to GRDA within ninety (90) days of the date KMEA received the bill from GRDA. Failure of the City to send written notice to KMEA within the eighty-(80) day period shall constitute final agreement with the bill. The City agrees that in no event will it withhold payment to satisfy its disagreement with any bill submitted by KMEA. KMEA shall credit to the City its prorata portion of any refund plus accrued interest which is credited to KMEA's account by GRDA.

Article 7. INDEMNIFICATION OF KMEA

- 7.01 City expressly agrees to the fullest extent permitted by law, to indemnify, hold harmless and defend KMEA against any and all claims, liability, costs or expenses (including without limitation attorneys' fees and expenses) for loss, damage or injury to persons or property in any manner directly or indirectly connected with or growing out of the GRDA Power Supply Project No. 2, KMEA's participation in the GRDA Power Supply Project No. 2, and/or the generation, transmission or distribution of capacity and energy from the GRDA Product, unless such loss, damage or injury is the result of bad faith, gross negligence, or reckless or willful misconduct of KMEA or its employees acting within the course and scope of their employment.
- 7.02 The City assumes responsibility at the Point(s) of Delivery for the electric service to be delivered by GRDA as well as for the wires, apparatus and appurtenances used in connection therewith, located on its own side of the Point(s) of Delivery, and the parties acknowledge that the electric service supplied under the GRDA Agreement through this GRDA Power Supply Project No. 2 will become the property of the City after it passes the metering equipment of GRDA or other Point(s) of Delivery.

Article 8. FORCE MAJEURE AND CURTAILMENTS

- 8.01 GRDA has committed to provide electric service continuously except for (a) interruptions due to Force Majeure, (b) in the event conditions occur which threaten the reliability to the Southwest Power Pool (SPP) Transmission System or the GRDA transmission system, or (c) curtailments by SPP or (d) GRDA curtailments under emergency procedures specified by

SPP or NERC criteria. As soon as commercially reasonable, GRDA will give KMEA notice of such interruptions or reductions so as to cause the least amount of inconvenience to both Parties hereto, and KMEA will provide notice to the City. In case of impaired or defective service, the City shall immediately give notice by telephone to KMEA's system dispatcher. Such interruptions in service shall not constitute a breach of the Agreement by KMEA, and KMEA shall not be liable to the City for any loss or damage arising from failure, interruption or suspension of service. The obligation of the City to make payments are not subject to delay or excuse by reason of Force Majeure or any other cause or event.

- 8.02 If, and whenever, the delivery of Electricity thereunder shall be interrupted for a period exceeding one (1) hour in duration, due to a fault of the facilities of GRDA, a Force Majeure, or a curtailment by SPP, the monthly charge for Capacity Billing Demand for the month in which such interruption occurs shall be reduced in the ratio that the number of hours of such interruption bears to the total number of hours in such month. The City shall make written claim for a credit of such monthly charge for Capacity Billing Demand, within eighty (80) days after receiving the monthly bill for the month in which the interruption or interruptions occurred, for reduction of the amount due because of any such interruptions not reflected in such bill. Failure to make such written claim within said eighty (80) day period shall constitute a waiver thereof. Any credit of such monthly charge for Capacity Billing Demand shall not eliminate the requirement to pay for other components of the costs of the Electricity.
- 8.03 In case of impaired or defective service, the City shall immediately give notice by telephone to KMEA and the City will confirm such oral notice in writing within twenty-two (22) hours of such notice given by telephone.

Article 9. SUSPENSION OF SERVICE FOR NONPAYMENT

- 9.01 Whenever KMEA has failed to pay any monthly bill accruing under the GRDA Agreement on or before forty (40) days following the first day of the calendar month in which such monthly bill was received, GRDA may suspend providing electric power and energy upon giving written notice to KMEA of GRDA's intention to do so, and GRDA shall not be liable to KMEA for any damages whether regular, special, punitive, consequential or otherwise for its discontinuance of delivery of such electric power and energy.
- 9.02 If the City, or any other City who purchases electric power supplied by GRDA to KMEA under the GRDA Agreement fails to pay KMEA within the time specified above, KMEA will be unable to pay GRDA in full. If GRDA discontinues electric service, in whole or in part, the electric service to all the Cities may be suspended. KMEA shall not be liable to any City for damages, whether regular, special, punitive, consequential or otherwise, for any suspension of service.

Article 10. RESALE RESTRICTIONS ON PRIVATE BUSINESS USE

- 10.01 The City represents and warrants to KMEA that it will not sell in excess of seven percent (7%) of any capacity or energy sold by KMEA to the City under this Agreement in any manner that would cause such sale to result in any facility of GRDA being deemed to be used for a private business use under the Internal Revenue Code of 1986 and the regulations promulgated thereunder. To that end, the City covenants not to make any resale in excess of seven percent (7%) of capacity or energy sold by KMEA to the City under this Agreement to a purchaser for use or resale by such purchaser, if it would obligate a purchaser to make payments that are not contingent on the output requirements of the purchaser (including but not limited to minimum

demand charges) or obligate the purchaser to have output requirement resales that require the purchaser to pay reasonable and customary damages (including liquidated damages) in the event of a default, or to pay a specified amount to terminate the contract or arrangement with the City while the purchaser has requirements, in each case if the amount of the payment is reasonably related to the purchaser's obligations to buy requirements that is discharged by the payment.

- 10.02 The City shall immediately notify KMEA if the City makes any resale of any capacity or energy sold by KMEA to City under this Agreement. Nothing contained in **Section 10.01** shall affect the ability of the City to make resales to any persons under any conditions if and to the extent such resales are made from resources other than the capacity or energy sold to the City by KMEA under this Agreement.

Article 11. BREACH OF GRDA AGREEMENT AND REMEDIES

- 11.01 The City acknowledges that each of the following constitutes a breach of the GRDA Agreement:
- (a) the failure of KMEA to pay any amount that is past due if such failure is not remedied within three (3) business days after receiving written notice from GRDA;
 - (b) the failure of KMEA or GRDA to comply with any material term or condition of the GRDA Agreement which is not corrected within a commercially reasonable period of time;
 - (c) the failure of KMEA to provide the documentation as to creditworthiness of KMEA, as described in Section 7.05 of the GRDA Agreement, and the failure of KMEA to provide documentation as to compliance with the provisions of Section 15.07 of the GRDA Agreement relating to resales of energy and capacity that constitute private business use;
 - (d) the filing by KMEA or GRDA of a voluntary petition in bankruptcy under any provision of any federal or state law; or
 - (e) the entry of a decree adjudicating KMEA or GRDA bankrupt or insolvent, if such decree is continued undischarged and unstayed for a period of sixty (60) days.
- 11.02 Upon any breach by one party, the non-breaching party under the GRDA Agreement may, at its option:
- (a) continue performance and exercise such other rights and remedies as it may have in equity, at law or under the terms of the GRDA Agreement; or
 - (b) terminate the GRDA Agreement by providing ten (10) days advance written notice to the breaching party. Termination of the GRDA Agreement shall not relieve either party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective. The non-breaching party may also exercise such other rights and remedies as it may have in equity, at law or under the terms of the GRDA Agreement.
- 11.03 In the event of a breach of the GRDA Agreement, the exercise of any remedy will correspondingly apply to this Agreement between KMEA and the City. In no event will

KMEA be liable to the City under this Agreement, or under any cause of action relating to the subject matter of this Agreement, for any special, indirect, incidental, punitive, exemplary or consequential damages, including but not limited to loss of profits or revenues, loss of use of any property, cost of substitute equipment, facilities, or services, downtime costs or claims of third parties for such damages. This provision shall survive termination of this Agreement.

Article 12. DISPUTE RESOLUTION

- 12.01 Dispute Notice. If a dispute arises between the Parties, then the aggrieved Party may provide written notice thereof to the other Party, including a detailed description of the subject matter of the dispute.
- 12.02 Negotiations. Representatives of the Parties shall in good faith attempt to resolve such dispute by informal negotiations within ten (10) Business Days from the date of receipt of a dispute notice under Section 12.01.
- 12.03 Involvement of Senior Executives. If the dispute is not resolved within ten (10) Business Days following receipt of the dispute notice or such later date as the Parties may mutually agree, then each Party shall promptly designate its most senior executive responsible for the subject matter of the dispute who shall have authority to resolve the dispute. The senior executives shall obtain such information as may be necessary to inform themselves of the substance and particulars of the dispute and shall meet within twenty (20) Business Days, at a time and place mutually acceptable to the senior executives.
- 12.04 Arbitration. If the senior executives are unable to resolve the dispute within twenty (20) Business Days of their first meeting or such later date as the senior executives may mutually agree, then the dispute shall, subject to Section 12.05, be resolved solely and exclusively by binding arbitration, using the following procedures (absent agreement of the Parties to different procedures).
- (a) The arbitration shall be conducted before a panel of three arbitrators in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") then in effect, except as modified herein. The Party seeking relief from the other Party shall prepare and submit a request for arbitration (the "Demand"), which will include statements of the facts and circumstances surrounding the dispute, the legal obligation breached by the other Party, the amount in controversy and the requested relief. The Demand shall be accompanied by all relevant supporting documents.
 - (b) Unless the dispute uniquely affects just one Participant, each other Participant that is affected by the dispute shall, for purposes of a particular arbitration, declare which Party it supports. In applying the provisions of this Section 12.04, each reference to a "Party" will be deemed to include all aligned Participants, and the aligned parties shall act in a collective manner to exercise their rights and fulfill their obligations hereunder. A Participant that elects not to participate will nonetheless be bound by the outcome of the arbitration.
 - (c) Arbitration shall be held in Johnson County, Kansas. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. §§ 1 et seq. Notwithstanding references herein to use of the AAA Commercial Arbitration Rules and possible AAA selection of

arbitrators, it is not the Parties' intention to require use of AAA or any other organization to administer any arbitration.

- (d) The Party asserting a claim for relief and the Party opposing such relief shall each select one arbitrator within ten (10) days of the receipt of the Demand, or if such Party fails to make such selection within ten (10) days from the receipt of the Demand, the AAA shall make such selection upon the written request of the other Party. The two arbitrators thus appointed shall select the third arbitrator, who shall act as the chairman of the panel. If the two arbitrators fail to agree on a third arbitrator within thirty (30) days of the selection of the second arbitrator, the AAA shall make such appointment.
- (e) The award shall be in writing (stating the award and the reasons therefor) and shall be final and binding upon the Parties, and shall be the sole and exclusive remedy regarding any claims, counterclaims, issues, or accountings presented to the arbitration panel. The arbitration panel shall be authorized in its discretion to grant pre-award and post-award interest at commercial rates. Judgment upon any award may be entered in any court having jurisdiction.
- (f) This Agreement and the rights and obligations of the Parties shall remain in full force and effect pending the award in any arbitration proceeding hereunder.
- (g) Unless otherwise ordered by the arbitrators, each Party shall bear its own costs and fees, including attorneys' fees and expenses. The Parties expressly agree that the arbitrators shall have no power to (1) consider or award any form of damages barred by Article 7 or any other multiple or enhanced damages, whether under statutory or common law, or (2) require any modifications to this Agreement.
- (h) Each Party understands that it will not be able to bring a lawsuit concerning the affected dispute, except as necessary to enforce this Section 12.4 or an arbitration award.

12.05 Agency Jurisdiction. Notwithstanding anything to the contrary in Section 12.04, the Parties acknowledge and agree that a dispute over which a Governmental Authority has exclusive jurisdiction shall, in the first instance, be brought before and resolved by such Governmental Authority.

Article 13. REPRESENTATIONS, WARRANTIES, AND COVENANTS

13.01 KMEA's Representations. KMEA hereby makes the following representations, warranties and covenants to City as of the Effective Date and through the end of the Term:

- (a) KMEA is a governmental entity and body public and corporate duly organized, validly existing and in good standing under the laws of the State, and has the legal power to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- (b) The execution, delivery and performance by KMEA of this Agreement have been duly authorized by all necessary action.
- (c) This Agreement constitutes the legal, valid and binding obligation of KMEA, enforceable in accordance with its terms.

- (d) There is no pending, or to the knowledge of KMEA, threatened action or proceeding affecting KMEA before any Governmental Authority which purports to affect the legality, validity or enforceability of this Agreement as in effect on the date hereof. Notwithstanding the foregoing, KMEA's sole continuing covenant with respect to this Section 13.01(d) shall be to take all necessary and reasonable actions to defend the enforceability and validity of this Agreement and aggressively defend any lawsuit involving or related to this Agreement.

13.02 City's Representations. City hereby makes the following representations, warranties and covenants to KMEA as of the Effective Date and through the end of the Term:

- (a) City is a municipal corporation of the State, and has the legal power to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
- (b) The execution, delivery and performance by City of this Agreement have been duly authorized by all necessary action.
- (c) This Agreement constitutes the legal, valid and binding obligation of City, enforceable in accordance with its terms.
- (d) There is no pending, or to the knowledge of City, threatened action or proceeding affecting City before any Governmental Authority which purports to affect the legality, validity or enforceability of this Agreement as in effect on the date hereof. Notwithstanding the foregoing, City's sole continuing covenant with respect to this Section 13.02(d) shall be to take all necessary and reasonable actions to defend the enforceability and validity of this Agreement and aggressively defend any lawsuit involving or related to this Agreement.
- (e) City is and shall remain throughout the term of this Agreement a Member of KMEA.
- (f) City will establish, maintain and collect such rates, fees and charges for the electric service of its electric utility system so as to provide revenues at least sufficient to enable City to make all payments required to be made by it under this Agreement and any other agreements with respect to its electric utility.
- (g) The obligations of City to make payments under this Agreement shall be limited to the obligation to make payments from revenues of its electric utility system and available electric utility system reserves. All payments made by City pursuant to this Agreement shall constitute operation and maintenance expenses of its electric utility system. The City shall not be obligated to levy any taxes for the purpose of paying any amount due under this Agreement. The City shall not issue any evidence of indebtedness with a lien on electric system revenues that is prior to the payment of operating and maintenance expenses.
- (h) The City covenants to maintain its electric system in good repair in accordance with Good Utility Practice, to cooperate with KMEA, and to keep accurate records and accounts.

- (i) The City shall not sell, lease or otherwise dispose of all or substantially all of its electric system, nor shall the City assign all or any part of its GRDA Product or any or all of its interests under this Agreement, except upon the approval of KMEA pursuant to Article 14 such approval not to be unreasonably withheld or delayed.
- (j) City's electric utility system shall not be made a part of an integrated utility system subsequent to the Effective Date of this Agreement if, in the opinion of a consulting engineer of national reputation selected by KMEA, the revenues of any other utility system(s) to be so integrated would not reasonably be expected to equal or exceed the costs and expenses thereof.

Article 14. MISCELLANEOUS

- 14.01 Applicable Law. The rights and obligations of the Parties under this Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Kansas, without regard to conflicts of law doctrines.
- 14.02 This Agreement shall be binding upon and inure to the benefit of the successor, legal representative, and assignees of the respective Parties; provided, however, except for the assignment by KMEA as provided in this subsection, neither this Agreement, nor any interest herein shall be transferred or assigned by either party hereto except with the prior written consent of the other Party, which consent shall not be unreasonably withheld. The City acknowledges and agrees that KMEA may assign and pledge all of, or any interest in, KMEA's right, title and interest in and to all payments to be made to KMEA under the provisions of this Agreement, as security for the payment of any obligation of KMEA, including interest thereon, created under any power purchase contract, reimbursement agreement, loan, bond or other instrument (collectively, "Contract Obligations"). In connection with such assignment and pledge, KMEA may deliver possession of this Agreement to such assignee and pledgee and grant such assignee and pledgee any rights and remedies herein provided to KMEA, and such assignee and pledgee shall be a third party beneficiary of the covenants and agreements of the City herein contained; provided, however, that nothing herein is intended to allow KMEA in the absence of an event of default under any Contract Obligations, to convey its operating responsibilities to any such assignee and pledgee.
- 14.03 This Agreement shall in all respects be subject to the rules, regulations and orders of all governmental authorities having jurisdiction of the subject matter hereof, and subject to the rules and regulations as may be applied to the Parties by such governmental authorities. In the event that the extension of the GRDA Agreement is not achieved and the GRDA Agreement is not amended and is terminated as a result, this Agreement will become null and void and of no force or effect.
- 14.04 This Agreement may be amended from time to time by mutual agreement of KMEA and the City; provided, however, that any such amendment must have the approval, in writing, of the governing boards of each of the Parties.
- 14.05 This Agreement, together with the Appendices attached hereto and made a part hereof, constitutes the entire agreement between KMEA and the City regarding the subject matter hereof, and supersedes any and all previous or contemporaneous understandings between KMEA and the City, whether written or oral.

- 14.06 To the extent any provision of this Agreement is held unenforceable or invalid under applicable law, such invalidity shall not affect any other provisions of this Agreement which can be given effect without the invalid provisions and, to this end, the provisions hereof are severable.
- 14.07 Jury Trial. Each of the Parties waives to the fullest extent permitted by law any right to a trial by jury in any action or proceeding to enforce or defend any rights under this Agreement or under any amendment, instrument, document or agreement delivered or which may in the future be delivered in connection with this Agreement and agrees that any such action or proceeding shall be tried before a court and not before a jury.
- 14.08 Notices. Unless otherwise expressly provided for in this Agreement, all communications and notices to a Party in connection with this Agreement shall be in writing, and any such notice shall become effective (a) upon personal delivery thereof, including by overnight mail or next Business Day or courier service, (b) in the case of notice by United States mail, certified or registered, postage prepaid, return receipt requested, upon receipt thereof, or (c) in the case of email, upon transmission thereof, provided that in addition to such transmission a confirmation copy of the notice is also provided by either of the methods set forth in clause (a) or (b) above. All notices provided by the means described in clauses (a), (b), or (c) above shall be addressed as follows, or to such other address as any Party may designate by written notice to the other Parties.

For notice to KMEA:

Kansas Municipal Energy Agency
6300 West 95th Street
Overland Park, KS 66212
Email: mahlberg@kmea.com

Attention: General Manager

For notice to City:

City of Osage City, Kansas
201 S. 5th
P.O. Box 250
Osage City, KS 66523

Attention: City Clerk

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IN WITNESS HEREOF, the Parties hereto have executed this Power Purchase Agreement on the date set forth above.

CITY OF OSAGE CITY, KANSAS

Mayor

(Seal)

ATTEST:

City Clerk

KANSAS MUNICIPAL ENERGY AGENCY

Paul N. Mahlberg
General Manager

APPENDIX A

Power Purchase and Sale Agreement

By and Between

Grand River Dam Authority

And

Kansas Municipal Energy Agency

(“GRDA Agreement”)

Appendix B

Capacity Billing Demand and Billing Energy

The Capacity Billing Demand and Billing Energy for each month of the Term shall be as follows.

The Capacity Billing Demand and Billing Energy for the months of June through September for the Term shall be the Nominal Capacity Billing Demand as follows.

| Month | Nominal Capacity Billing Demand (kW) | Minimum Capacity Billing Demand (kW) | Maximum Capacity Billing Demand (kW) | Billing Energy (kWh) |
|-----------|---|---|---|-------------------------|
| June | 1,000 | 1,000 | 1,000 | 720,000 |
| July | 1,000 | 1,000 | 1,000 | 744,000 |
| August | 1,000 | 1,000 | 1,000 | 744,000 |
| September | 1,000 | 1,000 | 1,000 | 720,000 |

Appendix B (continued)

Capacity Billing Demand and Billing Energy

The Capacity Billing Demand and Billing Energy for the months of October through May for the Term shall be the Nominal Capacity Billing Demand as follows, unless the City notifies KMEA at least three (3) Business Days prior to the first day of the month preceding the month of delivery of a revised Nominal Capacity Billing Demand, which will not be less than the Minimum Capacity Billing Demand nor greater than the Maximum Capacity Billing Demand. The Billing Energy for any such revised month will be calculated to be the revised monthly capacity billing demand for the month scheduled at a 100% monthly load factor.

| Month | Nominal Capacity Billing Demand (kW) | Minimum Capacity Billing Demand (kW) | Maximum Capacity Billing Demand (kW) | Billing Energy (kWh) |
|----------|---|---|---|-------------------------|
| October | 750 | 750 | 1,000 | 558,000 |
| November | 750 | 750 | 1,000 | 540,000 |
| December | 750 | 750 | 1,000 | 558,000 |
| January | 750 | 750 | 1,000 | 558,000 |
| February | 750 | 750 | 1,000 | 504,000 |
| March | 750 | 750 | 1,000 | 558,000 |
| April | 750 | 750 | 1,000 | 540,000 |
| May | 750 | 750 | 1,000 | 558,000 |

Notes:

1. The Billing Energy is calculated by multiplying the Capacity Billing Demand times the number of hours in the applicable month (a 100% monthly load factor).
2. The number of hours in a month will reflect both the change from daylight savings time to standard time and the change from standard time to daylight savings time during the applicable months as defined by federal law.
3. For leap years, the number of hours in February is 696.

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
04/8/2025

TIME
7:00 P.M.

| | | |
|---------------------------|---|-------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Administration | APPROVED FOR AGENDA: |
| ITEM NO. 9 | BY: Katie Hodge, City Manager | BY: KH |

ITEM:

City Council Ward seats up for election

BACKGROUND:

City Council Member Terms ending January 2026:

- Ward 1 Mike Gilliland
- Ward 2 Shirley Bausman
- Ward 3 Jeanette Swarts
- Ward 4 Susan Smith

The election filing deadline is 12:00 pm noon on June 2, 2025 at Osage County Clerk's Office.
Filing Fee: \$20.00

The election is November 4, 2025

CITY OF OSAGE CITY

REQUEST FOR CITY COUNCIL ACTION

DATE
04/8/2025

TIME
7:00 P.M.

| | | |
|---------------------------|--|---------------------------------------|
| AGENDA SECTION NO: III | ORIGINATING DEPARTMENT: Administration BY: Katie Hodge, City Manager | APPROVED FOR AGENDA: BY: KH |
| ITEM NO. 10 | | |

ITEM:

Donation from the Linda Jackson

BACKGROUND:

Linda Jackson donated \$670 from Clyde Jackson's memorial. Linda asked that the donation be applied to youth baseball in any capacity, because Clyde coached years ago, and he also helped when his grandson played.