

**EDGERTON CITY COUNCIL
MEETING AGENDA
CITY HALL, 404 EAST NELSON STREET
March 23, 2023
7:00 P.M.**

Call to Order

1. **Roll Call** _____ Roberts _____ Longanecker _____ Lewis _____ Beem
_____ Lebakken _____ Malloy
2. **Welcome**
3. **Pledge of Allegiance**

Consent Agenda *(Consent Agenda items will be acted upon by one motion unless a Council member requests an item be removed for discussion and separate action)*

4. Approve Minutes from March 9, 2023 Regular City Council Meeting.
5. Approve Professional Services Agreement with Denton Excavating DBA Midland Wrecking for Demolition of Structures at 305 and 307 East Nelson Street.

Motion: _____ Second: _____ Vote: _____

Regular Agenda

6. **Declaration.** At this time Council members may declare any conflict or communication they have had that might influence their ability to impartially consider today's issues.
7. **Public Comments.** The City of Edgerton encourages public participation in local governance issues. To facilitate an efficient and effective meeting, persons wishing to address the City Council must sign-up before the meeting begins. Speakers must provide their name and address for the record and are limited to three (3) minutes. The maximum time limit for all speakers will be thirty (30) minutes. Comments on personnel matters or matters pending before court/other outside tribunals are not permitted. Any comments are for informational purposes only. No action will be taken.

The Mayor may modify these provisions, as necessary. The Mayor may limit any unnecessary, off-topic, or redundant comments or presentations. Speakers should address their comments to City Council members only and should not speak to fellow audience members. City Council members will not engage in a dialogue or debate with speakers. Speakers and audience members should conduct themselves in a civil and respectful manner. Disruptive conduct may result in removal from the meeting.

Business Requiring Action

8. **PUBLIC HEARING REGARDING RESOLUTION NO. 03-23-23A CONSENTING TO THE PARTIAL ASSIGNMENT OF A RESOLUTION OF INTENT FROM EDGERTON LAND HOLDING COMPANY, LLC TO ELHC IX, LLC, OR ITS SUCCESSORS IN INTEREST**
9. **CONSIDER RESOLUTION NO. 03-23-23A CONSENTING TO THE PARTIAL ASSIGNMENT OF A RESOLUTION OF INTENT FROM EDGERTON LAND HOLDING COMPANY, LLC TO ELHC IX, LLC, OR ITS SUCCESSORS IN INTEREST**

Motion: _____ Second: _____ Vote: _____

10. CONSIDER RESOLUTION NO. 03-23-23B AUTHORIZING THE CITY OF EDGERTON, KANSAS TO ENTER INTO A FIRST AMENDMENT TO DEVELOPMENT AGREEMENT FOR THE EDGERTON CROSSING WOODSTONE PROJECT

Motion: _____ Second: _____ Vote: _____

11. CONSIDER RENEWAL OF CORPORATE INSURANCE POLICY FOR APRIL 1, 2023 – MARCH 31, 2024

Motion: _____ Second: _____ Vote: _____

12. CONSIDER EARLY PROCUREMENT FOR GENERATOR AS PART OF GREENSPACE PROJECT

Motion: _____ Second: _____ Vote: _____

13. CONSIDER ORDINANCE NO. 2131 AMENDING CHAPTER XV, ARTICLE 1, SECTION 15-115 OF THE MUNICIPAL CODE OF THE CITY OF EDGERTON, KANSAS AND REPEALING ALL OTHER ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT THEREWITH.

Motion: _____ Second: _____ Vote: _____

14. Report by the City Administrator

15. Report by the Mayor

16. Future Meeting Reminders:

- April 11th: Planning Commission – 7:00PM
- April 13th: City Council Meeting – 7:00PM
- April 27th: City Council Meeting – 7:00PM
- June 8th: City Council Meeting – 7:00PM
- June 13th: Planning Commission – 7:00PM
- June 22nd: City Council Meeting – 7:00PM

17. Adjourn Motion: _____ Second: _____ Vote: _____

EVENTS

Surprise Date: PopUp Easter Egg Hunt
March 29: Colorful Pom Pom Spring Wreath
April 11: Tales for Tots
April 19: Senior Lunch and Bingo
April 22: Family Luau Bingo

City of Edgerton, Kansas
Minutes of City Council Regular Session
March 9, 2023

A Regular Session of the City Council (the Council) was held in the Edgerton City Hall, 404 E. Nelson, Edgerton, Kansas on March 9, 2023. The meeting convened at 7:00PM with Mayor Roberts presiding.

1. ROLL CALL

Clay Longanecker	present
Josh Lewis	present
Josh Beem	present
Deb Lebakken	present
Bill Malloy	present

With a quorum present, the meeting commenced.

Staff in attendance:	City Administrator, Beth Linn
	City Attorney, Lee Hendricks
	City Clerk, Alex Clower
	Assistant City Administrator, Meagan Borth
	Public Works Director, Dan Merkh
	Public Works Superintendent, Trey Whitaker
	Development Services Director, Zachary Moore
	Finance Director, Karen Kindle
	Accountant, Justin Vermillion
	Marketing & Communications Manager, Kara Banks via Phone
	Recreation Coordinator, Brittany Paddock
	Maintenance Tech I, Trevor Morris

2. WELCOME. Mayor Roberts welcomed all in attendance to the meeting.

3. PLEDGE OF ALLEGIANCE. All present participated in Pledge of Allegiance.

Consent Agenda *(Consent Agenda items will be acted upon by one motion unless a Council member requests an item be removed for discussion and separate action)*

4. Approve Minutes from February 23, 2023 Regular City Council Meeting.

With no questions or comments, Mayor Roberts requested motion to approve the consent agenda.

Councilmember Lewis made a motion to approve, seconded by Councilmember Beem. The consent agenda was approved, 5-0.

Regular Agenda

5. **Declaration.** There were no declarations made.
6. **Public Comments.** There were no public comments made.
7. **Introduction** of New Hires: Trevor Morris, Maintenance Tech I for the Public Works Department and Meagan Borth, Assistant City Administrator.

Ms. Beth Linn stated she is very excited to announce that the City has hired for the Assistant City Administrator position and welcomed Meagan Borth to the team.

Ms. Borth thanked the Council and stated she is very excited to be in Edgerton and be a part of this team.

All council members welcomed her to Edgerton.

Mr. Merkh stated the Public Works department is now fully staffed and welcomed Trevor Morris to the team.

Mr. Morris stated he's excited to be working in Edgerton and beginning his career here.

All council members welcomed him to Edgerton.

Ms. Linn stated the Edgerton team is now fully staffed in every department.

Business Requiring Action

8. CONSIDER PROFESSIONAL SERVICES AGREEMENT BETWEEN CITY OF EDGERTON AND NEER

Mr. Merkh addressed the Council. He stated in February the City Council participated in a work session discussing the new Lead and Copper Revision Rule, as required by the EPA for all water systems. A part of this is a required inventory of all public and private water lines within the system. He stated a draft agreement with NEER is being completed to include a scope of work that compiles an inventory of the City's public and private water assets from multiple sources (i.e. city records, public survey, etc.), utilizes predictive modeling to identify possible areas containing lead, and hosts the data for staff to access. He stated this information will be used to complete the inventory as required by the EPA for the October 2024 deadline. This Agreement with NEER is still under review by the City, NEER, the City's insurance representative and the City Attorney.

He stated the agreement has a budget for services at \$15,000 annually for a period of three years and has been included in the 2023-2027 adopted CIP budget with funding from ARPA dollars and the State Revolving Fund. He stated NEER offers many other services that could benefit the city in the future and as we grow into the services within the agreement, staff will consider timing, cost, and impact of the services. He stated any revisions will be brought forward for approval as an amendment to the contract.

Mayor Roberts asked if the contract is renewable each year or every three.

Ms. Linn responded it is written as a three year contract with a cash basis clause allowing for the city to terminate, etc. if needed.

Councilmember Lewis stated it'll be interesting to see what the EPA decides in the next year or so. He stated it would not surprise him if they do not extend the deadline.

Mayor Roberts asked which entity owns the data at the end of the contract.

Mr. Merkh stated the data and the results of the predictive model are owned by the city, while the process for the predictive modeling remains with NEER.

With no further questions or comments, Mayor Roberts requested a motion to approve the agreement once approved by all parties involved.

Councilmember Longanecker moved to approved, seconded by Councilmember Malloy. The agreement was approved, 5-0.

9. CONSIDER RESOLUTION NO. 03-09-23A AUTHORIZING THE CLOSURE OF A PUBLIC STREET DURING EDGERTON'S SUMMER KICKOFF BLOCK PARTY

Ms. Paddock addressed the Council. She requested one block of Nelson Street be closed for the duration of the Summer Kickoff Block Party on June 3. She stated the Summer Kickoff Block Party is the first Saturday in June each year. This year they are planning to have slushies instead of ice cream and she has booked a food truck as requested by the community. She stated the road closure is designed to keep everyone safe.

With no questions or comments Mayor Roberts requested motion to approve Resolution No. 03-09-23A.

Councilmember Lewis moved to approve the motion, seconded by Councilmember Lebakken. Resolution No. 03-09-23A authorizing the road closure for Summer Kickoff Block Party was approved, 5-0.

Ms. Linn requested Ms. Paddock review the activities planned for Spring Break. Ms. Paddock shared the schedule of events with Council.

10. CONSIDER ORDINANCE NO. 2130 ADOPTING THE RECOMMENDATION OF THE CITY OF EDGERTON PLANNING COMMISSION TO APPROVE APPLICATION ZA2023-01 FOR THE REZONING OF APPROXIMATELY 1.46 ACRES OF LAND LOCATED AT THE SOUTHEAST CORNER OF E. NELSON STREET AND E. 3RD STREET, FROM CITY OF EDGERTON "R-1" (SINGLE FAMILY RESIDENTIAL) AND

CITY OF EDGERTON "C-D" (DOWNTOWN COMMERCIAL) TO CITY OF EDGERTON "C-D" (DOWNTOWN COMMERCIAL) ZONING

Mr. Moore stated the request before the governing body is to rezone the area on the southeast corner of E. Nelson Street and E. 3rd Street from single family residential and downtown commercial to City of Edgerton, Downtown Commercial zoning to accommodate the new Edgerton Greenspace community building. He stated the existing R-1 district does allow for the development of a public community building on the site, but has more restrictive design standards such as setbacks, while the C-D zoning design guidelines are more fitting for the downtown development.

He stated staff has reviewed this application with respect to the Edgerton Comprehensive Plan, the Unified Development Code and the laws of Kansas, particularly related to the Golden Criteria. He stated the Planning Commission held a Public Hearing in February regarding this rezoning and voted to recommend approval of Application ZA2023-01 with no stipulations.

Mayor Roberts stated this is really a historic moment for the community to start The Greenspace. He stated this is the first new brick building in downtown Edgerton in roughly 125 years and it's a huge step forward for the community. He stated most cities would not take this step because the development can be done without this step, but really appreciates staff and their time to do this like a developer would have to. He stated this is a monumental vote.

With no further questions or comments Mayor Roberts requested motion to approve Ordinance No. 2130 approving application ZA2023-01 for the rezoning from R-1 to C-D zoning.

Councilmember Longanecker moved to approve the motion, seconded by Councilmember Lewis. The motion was approved, 6-0.

11. Report by the City Administrator

- 4th Quarter 2022 Finance Report

Ms. Kindle overviewed 2022 Fourth Quarter finance report and stated all funds had adequate fund to be within the reserve requirement and budget authority for each.

Mayor Roberts asked why the Ad Valorem Tax was down \$19,000.

Ms. Kindle stated she would need to look at specific properties to see if certain ones have not been reported yet, etc. She stated during the budget process, they estimate on PILOTs for the year and what is estimated may not always be the case. She stated this number is given to the City from the County.

Ms. Linn stated the first step in the annual process is underway as the auditors will begin their process and staff will begin getting ready to present the 2024 Budget. She stated typically budget work session will be held on an off-council meeting date so there is more time for questions if needed.

- Marketing & Communications Update

Ms. Banks addressed the Council. She gave an update for Marketing & Communications for January – March. She reviewed metrics for the City's social media and website.

Mayor Roberts stated staff has done a great job making the social media platforms a great way to communicate with the public. He stated Councilmember Lebakken does a great job resharing posts to make sure the word gets out to the community and encourages others to do so as well. He stated this helps Kara get the word out and if there were an emergency, people would know where to look for information.

- CIP Update

Ms. Linn stated CIP Work Session is held in October of each year and felt that March would be a good 6-month check in point for active and upcoming projects.

Mr. Merkh gave an overview of CIP projects including the space needs study for city hall which will be included once The Greenspace project is underway.

Mr. Moore commented on the Comprehensive Plan which he mentioned is currently in the draft phase. The steering committee will hold their first meeting on March 28th. He stated they are looking at a fall time frame for final approval. He also spoke about the building codes update. He stated there will be a work session held on March 23rd following the regular council meeting to begin assessing the differences between the current 2006 construction code the city uses versus the 2018 code so that Council can suggest changes or amendments.

Mr. Merkh stated they are nearing 100% design with Glendell Acres Park Project and they are still working to get into contact with skatepark vendors, which is proving to be a little more difficult than previously anticipated. He stated early procurement for park equipment is due back next week.

He stated the Wastewater Master Plan is still underway, staff is right in the middle of ERP Software Acquisition, 7th & Nelson Sanitary Sewer CDBG Project is complete, 2022 Street Preservation Program is complete, the City has purchased 414 E 4th St., which will house staff when the Yellow-House is torn down for construction of The Greenspace. He stated streetlight inventory and study is underway as well as the library brick and roof projects, which are nearing completion and have a few minor finishing touches to the stairs of the library. He stated 191st St. Bifurcation is to be determined. He stated 2nd St., Nelson-Termination of Grade Sep will be posted for request for qualification in the coming weeks as well as 2023 Street preservation. He stated the City Facility Security Exploration will begin in the next month or so to identify a consultant, Edgerton Lake and Dam are in the beginning stages of a draft for the RFQ, the Trail Master Plan is hoping to start in the next few months. He stated staff just received word that the City has received \$8,000 more for CDBG than previously announced so that funding will go toward the sewer project and get a little more completed and apply for more funding in the next grant year. He stated the remaining items on the list have no update as of now.

Councilmember Longanecker asked if it was the Dam exploration that was done a few years ago.

Ms. Linn stated inspections have been completed as they're required to be done by the state based on condition of Dam. BG has done an inspection, but it was done after the flood. There were some things that came from that report that will go to consultant that completes the Dam Exploration project.

12. Report by the Mayor

Mayor Roberts asked Mr. Lee Hendricks, City Attorney, if he could give an update on lawsuits filed against the City.

Mr. Hendricks stated Clifton Cole filed a suit against the city on a zoning change from 2011. This zoning change had an impact on the Coles and they were part of many discussions with Planning Commission and City Council during that time. He stated Planning Commission had stated in their recommendation that there should be a setback of 200 feet from the property line, but when the ordinance was passed, it stated 200 feet from the Coles home. He stated the time frame for objection ran out more than 10 years ago. Recently, the Coles brought forward a lawsuit to have the language within the ordinance set aside. He stated the city filed a response and motion to dismiss stating it had been 11 years from the date of passage. This week the court ruled in favor of the City, agreeing with the City's argument that the time to object was days or at most months after the ordinance was passed, not a decade later.

He stated there have been four lawsuits filed in the past 18 months with the City. The first of the four was responded to by the City, but no action was taken by the plaintiff so the case was dismissed. The second suit was similar in that the city responded and immediately filed motion to dismiss. That case was dismissed, but the plaintiffs have appealed. He stated he has confidence the appeals court will agree with City's stance, and it will be dismissed there. He stated the third filing had some discovery and the City requested summary judgement. He stated he anticipates it too will be ruled in the City's favor. Finally, the fourth suit, involving the Coles, has just been dismissed.

Mayor Roberts thanked Mr. Hendricks for providing that update.

13. Future Meeting Reminders:

- March 14th: Planning Commission – 7:00PM
- March 23rd: City Council Meeting – 7:00PM
- April 11th: Planning Commission – 7:00PM
- April 13th: City Council Meeting – 7:00PM
- April 27th: City Council Meeting – 7:00PM

14. Adjourn

With no further business, Mayor Roberts requested motion to adjourn the meeting.

Councilmember Longanecker moved to adjourn, seconded by Councilmember Beem. The meeting was adjourned at 7:50PM, 5-0

Submitted by Alexandria Clower, City Clerk

DRAFT

City Council Action Item

Council Meeting Date: March 23, 2023

Department: Public Works

Agenda Item: Consider Professional Services Agreement with Denton Excavating dba Midland Wrecking for Demolition of Structures at 305 and 307 East Nelson Street

Background/Description of Item:

On August 25, 2022, City's Project Team presented an update to the City Council and on September 08, 2022, City Council approved an updated budget, scope, and schedule for The Greenspace Project. As part of the project, the structures at 305 and 307 East Nelson Street Edgerton, KS 66021 are located within the proposed footprint of the building site; therefore, they need to be demolished.

Staff recommends these services be removed from the general contractor for the construction of The Greenspace due to a cost savings found when sourcing these services directly. The City has worked with Midland Wrecking for the demolition of multiple structures.

The proposal from Midland Wrecking is still under review by City Staff, City Attorney, and City's Insurance Representative. All comments will be resolved prior to execution of the agreement.

Staff recommends authorizing the Mayor to execute the agreement with a not to exceed amount of \$35,000 upon final approval from City Attorney and City Insurance Representative.

Related Ordinance(s) or Statue(s):

Funding Source: General Obligation Bonds (using revenues from LPKC Phase I Maintenance Fee and roll-off of LPKC abatements for payment of annual debt service)

Budget Allocated: \$8,704,950 total project; \$35,000 dedicated for demolition

Finance Director Approval: N/A

Recommendation: Approve Professional Services Agreement with Denton Excavating dba Midland Wrecking with a Not to Exceed Amount of \$35,000 for the Demolition of Structures at 305 and 307 East Nelson Street

Enclosed: N/A

Prepared by: Dan Merkh, Public Works Director



**DENTON EXCAVATING dba
MIDLAND WRECKING
P.O. BOX 14906, LENEXA, KS 66285
(913) 432-0314 phone (913) 432-6021 fax
Jaimo217@msn.com**

January 16, 2023

Phone: 913-381-9628

Attn: Trey Whitaker – City of Edgerton

Email: twhitaker@edgertonks.org

Job Location: 305 E Nelson, Edgerton, KS 66021

We propose and agree to finish all labor, material, equipment, and insurance necessary to complete subject work, in accordance with the following:

*****RESIDENTIAL HOUSE & DETACHED GARAGE REMOVAL (305 E NELSON):**

- REMOVE RESIDENTIAL HOUSE AND DEBRIS SURROUNDING HOUSE
- REMOVE ALL CONCRETE WALLS, FLOORS, AND FOOTINGS
- REMOVE DRIVEWAY
- NO IMPORT OF ANY FILL DIRT
- NO TREE REMOVAL
- DO ASBESTOS INSPECTION ONLY (NO REMOVAL IF ANY)
- DO STATE NOTIFICATION
- NO DISCONNECT OF WATER, ELECTRIC, OR GAS (OWNER TO PROVIDE)
- DISCONNECT SEWER ONLY
- SECURE DEMOLITION PERMIT
- ALL DEBRIS TO GO TO CERTIFIED LANDFILL, PROVIDE PROOF
- NO SEED AND STRAW

FOR THE SUM OF: \$15,512

_____ **INITIAL**

*****COMMERCIAL BUILDING REMOVAL (307 E NELSON):**

- REMOVE COMMERCIAL BUILDING AND DEBRIS SURROUNDING BUILDING
- REMOVE ALL CONCRETE WALLS, FLOORS, AND FOOTINGS
- NO DRIVEWAY REMOVAL
- NO IMPORT OF ANY FILL DIRT
- NO TREE REMOVAL
- DO ASBESTOS INSPECTION ONLY (NO REMOVAL IF ANY)
- DO STATE NOTIFICATION
- NO DISCONNECT OF WATER, ELECTRIC, OR GAS (OWNER TO PROVIDE)
- DISCONNECT SEWER ONLY
- SECURE DEMOLITION PERMIT
- ALL DEBRIS TO GO TO CERTIFIED LANDFILL, PROVIDE PROOF
- NO SEED AND STRAW

FOR THE SUM OF: \$14,112

_____ **INITIAL**



EXCLUSIONS:

- NO ASBESTOS OR HAZARDOUS WASTE REMOVAL
- NO DISCONNECTING WATER, ELECTRIC, OR GAS (OWNER TO PROVIDE)
- NO TREE REMOVAL
- NO IMPORT OF ANY FILL DIRT
- NO SEED OR STRAW

NOTE: PAYMENT DUE UPON COMPLETION AFTER FINAL INSPECTION.

This proposal is limited to thirty days acceptance from date hereof.

This proposal excludes any natural rock encountered.

This proposal excludes handling of any hazardous materials.

Any and all salvage materials recovered will become property of Denton Excavating, Inc dba Midland Wrecking.

The Company shall not be responsible for damage or delay due to strikes, fires, accidents or other causes beyond its reasonable control. The Company carries Workmen's Compensation and Public Liability Insurance, but does not assume risks of any other character under this contract.

After acceptance by the Owner in the space below, this contract shall be binding either upon approval by an officer of the Company or upon commencement of the work by the Company and shall constitute the entire agreement between the Company and the Owner. No oral terms or representations shall be considered a part of the agreement.

Accepted By: _____
SIGNATURE

**Denton Excavating, Inc.
dba Midland Wrecking**

Accepted By: _____
PRINT NAME

By: Wylie Denton

Date Signed: _____

Date: 1/16/2023

CITY OF EDGERTON, KANSAS

COUNCIL AGENDA ITEM

Council Meeting Date: March 23, 2023

Agenda Item: Public Hearing
Partial Assignment of Resolution of Intent

Subject: IRBs and Property Tax Abatement for ELHC IX, LLC

Hearing Notice Published: March 15, 2023 in the *Gardner News*

Summary:

The City previously adopted Resolution No. 04-27-17B assigning a portion of the master Resolution of Intent to ELHC IX, LLC for a project that never came to fruition. The City has now received a new application for industrial revenue bonds and property tax abatement from ELHC IX, LLC. ELHC IX desires to construct an approximately 1,006,016 sq. ft. warehouse, distribution or manufacturing facility to be located at approximately 30500 and 30700 W. 183rd Street in Edgerton. In order for the City to issue industrial revenue bonds and grant property tax abatement, the City must first hold a public hearing, consider the cost-benefit report and then approve a partial assignment of the Master Resolution of Intent.

Public Hearing

A notice of the public hearing has been published at least seven days prior to the date of this meeting. Written notice of the public hearing has also been provided to the County and the School District. The Council should take comments from the public.

Cost-Benefit Report

Columbia Capital Management, LLC has prepared a cost-benefit report for the proposed project. The Council should consider the cost-benefit report and ask any questions the Council may have about the report.

Partial Assignment of Resolution of Intent

The City previously adopted a Master Resolution of Intent for the benefit of Edgerton Land Holding Company, LLC (“Edgerton Land”) for constructing various projects in the Logistics Park-Kansas City, and provided for the issuance of up to \$1,000,000,000 in industrial revenue bonds. The Master Resolution of Intent allows Edgerton Land to assign portions of the Master Resolution of Intent to various companies that locate within the park. The partial assignment of the Master Resolution of Intent assigns \$80,000,000 of the Master Resolution of Intent to ELHC IX for the purpose of constructing this project.

The resolution also repeals Resolution 04-27-17B which assigned a portion of the Master Resolution of Intent to ELHC IX for the prior proposed project.

RESOLUTION NO. 03-23-23A

**RESOLUTION CONSENTING TO THE PARTIAL ASSIGNMENT OF A
RESOLUTION OF INTENT FROM EDGERTON LAND HOLDING COMPANY,
LLC TO ELHC IX, LLC, OR ITS SUCCESSORS IN INTEREST**

WHEREAS, the City of Edgerton, Kansas (the “City”), desires to promote, stimulate and develop the general welfare and economic prosperity of the City and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

WHEREAS, the City is authorized and empowered under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive (the “Act”), to issue industrial revenue bonds to pay the cost of certain facilities (as defined in the Act) for the purposes set forth in the Act and to lease such facilities to private persons, firms or corporations; and

WHEREAS, the City adopted Resolution No. 07-08-10A on July 8, 2010, as amended by Resolution No. 04-25-13A adopted on April 25, 2013 and Resolution No. 04-09-15A adopted on April 9, 2015 (collectively, the “Resolution of Intent”) determining the intent of the City to issue its industrial revenue bonds in multiple series, the aggregate amount of all series not to exceed \$1,000,000,000 (the “Bonds”), to finance the costs of acquiring, constructing, reconstructing, improving and equipping the Logistics Park Projects (as defined in the Resolution of Intent) for the benefit of Edgerton Land Holding Company, LLC (the “Developer”); and

WHEREAS, the Resolution of Intent permits the Developer, with the consent of the City, to assign a portion of its interest in the Resolution of Intent to another entity, thereby conferring on such entity the benefits of the Resolution of Intent and the proceedings related thereto; and

WHEREAS, the Developer desires to assign \$80,000,000 of its interest in the Resolution of Intent to ELHC IX, LLC, a Kansas limited liability company (the “Company”), for the purposes of permitting the Company to acquire, construct and equip a commercial project, consisting of an approximately 1,006,016 sq. ft. warehouse, distribution or manufacturing facility (the “ELHC IX Project”), located at approximately 30500 and 30700 W. 183rd Street, Edgerton, Kansas; and

WHEREAS, the City desires to consent to such partial assignment of the Resolution of Intent to the Company; and

WHEREAS, on April 27, 2017, the City adopted Resolution No. 04-27-17B (the “Prior Resolution”) assigning a portion of the Resolution of Intent to the Company for a project that the Company decided not to start; and

WHEREAS, the City desires to repeal the Prior Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF EDGERTON, KANSAS, AS FOLLOWS:

Section 1. Partial Assignment of Resolution of Intent. The Governing Body of the City hereby consents to the assignment by the Developer of \$80,000,000 of the Developer’s interest in the Resolution of Intent to the Company for the purposes of completing the ELHC IX Project, which is a Logistics Park Project. The City agrees that the Company will now be entitled to the benefits of the

Resolution of Intent to the same extent and on the same terms as the Developer with respect to the ELHC IX Project.

Section 2. Authorization to Proceed. The Company is authorized to proceed with the acquiring, constructing and equipping of the ELHC IX Project, and to advance such funds as may be necessary to accomplish such purposes, and, to the extent permitted by law, the City will reimburse the Company for all expenditures paid or incurred therefor out of the proceeds of the Bonds.

Section 3. Benefit of Resolution. This Resolution will inure to the benefit of the City and the Company. The Company may, with the prior written consent of the City, assign its interest in this Resolution and the Resolution of Intent to another entity, and such assignee will be entitled to the benefits of this Resolution, the Resolution of Intent and the proceedings related hereto.

Section 4. Repeal of Prior Resolution. The Prior Resolution is hereby repealed.

Section 5. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Governing Body of the City.

ADOPTED this 23rd day of March, 2023.

CITY OF EDGERTON, KANSAS

[SEAL]

By: _____
Donald Roberts, Mayor

ATTEST:

Christopher Clinton, Deputy City Clerk

Approved as to form:

Scott W. Anderson, Bond Counsel



6700 Antioch Rd.
Suite 250
Merriam, Kansas 66204
Jeff White, Managing Member
913.312.8077
jwhite@columbiacapital.com

March 13, 2023

Ms. Beth Linn
City Administrator
City of Edgerton
404 East Nelson
Edgerton, Kansas 66021

RE: Cost-Benefit Analysis for ELHC IX, LLC

Dear Beth:

Please find attached the results of our cost-benefit analysis related to the projected property tax abatement to be granted by the City to applicant ELHC IX, LLC which plans to construct a 1,006,016 square foot warehouse and distribution facility in Phase 1 of Logistics Park Kansas City (**LPKC**). The purpose of this analysis is to satisfy the City's requirement pursuant to KSA 12-1749d or KSA 79-251(a)(1) to undertake a cost-benefit analysis before granting a property tax abatement. Consistent with City policy for development within LPKC, this analysis assumes the City will grant a 100% property tax abatement for 10 years with the applicant paying an annual payment-in-lieu-of-taxes equal to \$0.21 per square foot on the project.

BACKGROUND

As part of negotiations with the original master developer on the potential location of LPKC in Edgerton, the Edgerton City Council approved an incentives program that provides ten-year property tax abatements for projects locating in LPKC. The purpose of these abatements was to ensure that rents paid by the eventual users of buildings constructed by the master developer would be competitive against warehouse/distribution developments in Olathe, south Kansas City, Riverside and those located in other cities, including Dallas, Chicago, Memphis and Indianapolis. Like Edgerton, these communities also have incentives programs in place for warehouse and distribution facilities.

The original master developer reported—and its successor, NorthPoint Development/Edgerton Land Holding Company (**ELHC**)—continues to make the argument that, without the abatement incentives, large-scale warehouse and distribution facilities would not materialize in LPKC and certainly not at the pace of development LPKC has seen in recent years: the presence of the abatements was and is a necessary condition to the development of the project.

ABATEMENT MECHANICS

Under Kansas law, every ad valorem tax abatement is a 100% abatement. Cities granting an abatement have the right to negotiate payments-in-lieu-of-tax (**PILOT**)

payments from the abatement beneficiary to reduce the effective value of the abatement to that party. PILOT payments are distributed by Kansas counties to all taxing jurisdictions affected by the abatement in the same proportion as regular property taxes.

Property tax abatements effectively defer a portion of the tax benefit on new development for a period of up to 10 years. Although property tax abatements can create a loss of status quo ante tax revenues for taxing jurisdictions, abatements at LPKC have a very limited impact on existing tax revenues. Because the vast majority of undeveloped land within the boundaries of LPKC is classified for property tax purposes as “farming or ranch operations,” status quo ante property taxes in the aggregate within LPKC tend to total less than \$50 per acre per year.

ECONOMICS

The subject property is approximately 80 acres in size and will house a 1,006,016 square foot warehouse and distribution facility when this expansion is completed. Pursuant to the City’s agreement with the master developer, this analysis assumes the City will provide the applicant with a 100% property tax abatement for 10 years. We have further assumed that, consistent with its agreement with the master developer, the City will impose a \$0.21 per square foot per year PILOT.

The table below reflects the immediate impact on property tax/PILOT receipts from the expansion on the subject property, assuming a status quo ante tax burden of \$50 per acre per year and based upon November 2022 levy rates published by Johnson County.

ENTITY	LEVY	% of TOTAL	EXISTING TAXES LOST	NEW PILOTs PAID	ANNUAL NET TAX GAIN/(LOSS)
State of KS	1.500	1.14%	\$ (46)	\$ 2,406	\$ 2,360
Johnson Co.	17.772	13.49%	(540)	28,503	27,963
JCCC	8.617	6.54%	(262)	13,820	13,558
JCPRD	3.021	2.29%	(92)	4,845	4,753
Edgerton	29.674	22.53%	(901)	47,591	46,690
USD 231 Uniform	20.000	15.18%	(607)	32,076	31,469
USD 231 Capital †	8.000	0.00%	-	98,729	98,729
USD 231 Other	17.237	13.09%	(523)	27,645	27,121
USD 231 Bond	16.664	12.65%	(506)	26,726	26,220
Fire Dist #1	13.426	10.19%	(408)	21,533	21,125
Library	3.815	2.90%	(116)	6,119	6,003
	139.726	100.00%	\$ (4,000)	\$ 309,993	\$ 305,993

† The USD 231 Capital Levy will not be abated. “New PILOTs Paid,” in this case, reflect projected property taxes paid.

COST-BENEFIT ANALYSIS DETAILS AND ASSUMPTIONS

KSA 12-1749d(2) requires notification of anticipated abatements only to counties or school districts affected. As a result, our analysis focuses on financial impacts to the City, Johnson County and USD 231 Gardner/Edgerton Schools (the **District**). We have not calculated the cost-benefit impacts for other taxing jurisdictions. State law also requires the analysis to include “the effect of the exemption on state revenues.” Our modeling includes such an estimate.

Our cost-benefit modeling relies on a number of key assumptions in the calculation of net present value benefit to the City, Johnson County and USD 231. Most of our

assumptions are derived from public information. Some of these key assumptions include:

- An evaluation of the direct costs and benefits of the project. Columbia's model does not include indirect or "spin-off" effects as a result of input-output multipliers.
- A ten-year analysis timeframe, matching the maximum permitted term of the abatement.
- Direct costs to affected taxing jurisdictions as estimated by Columbia based upon annual audits, proposed and adopted budgets, published tax rates and other publically available information for the taxing jurisdictions affected.
- Where applicable, reliance upon statistical data as reported by the United States Census Bureau and Kansas Department of Revenue.
- The use of a discount rate comprised of two components: a risk-free rate of return (the current yield of the on-the-run 10-year US Treasury) plus a risk premium of three (3) percent. The value of the discount rate is a proxy for the opportunity cost of the City (and other agencies) of foregoing the future property and/or sales tax revenues that would be generated by the development. Thought of another way, if the City had those revenues in hand and placed them in an alternative investment with the same risk characteristics, what would be its expected rate of return?

SCHOOL DISTRICT CAPITAL LEVY PROTECTED

Reflecting a change adopted during the 2017 legislative session, this analysis assumes the District's capital levy (eight mills) will not be abated.

USING THE COST-BENEFIT MODELING RESULTS

The output of the model is presented as the net present value benefit/(cost) of the project for the City, County and school district over the 10-year life of the abatement on each project. The net benefit (or, if negative, cost) of the incentive package is presented in today's dollars. The estimated impact on State revenues is presented in nominal (future value) terms. We also provide an estimated future value project contribution to the City's Public Infrastructure Fund (**PIF**). While the modeling shows a significant net present value benefit to the City, it is important to note that the vast majority of this net benefit is reinvested in Phase 1 of LPKC through the Public Infrastructure Fund which is the funding source for the majority of public infrastructure to be developed to serve Phase 1 of LPKC.

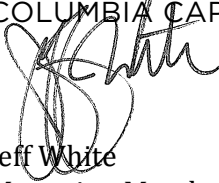
In the preparation of this cost-benefit analysis, Columbia has relied upon the information provided to it by applicant and has not independently verified or validated these data. The City must draw its own conclusions as to the reliability of these data.



Finally, the intent of this analysis and of the applicable statutes is to inform the governing body's policy debate about the value of the abatement incentive it is providing to the applicant. The project's generation of a net present value benefit to the agencies affected should be but one of the many factors in the governing body's decision about whether and how much incentive to provide to any applicant.

Thank you in advance for your thoughtful consideration of the analysis attached. Please let me know if you have any questions.

Respectfully submitted,
COLUMBIA CAPITAL MANAGEMENT, LLC

A handwritten signature in black ink, appearing to read "Jeff White", is written over the company name.

Jeff White
Managing Member



SUMMARY OF COSTS AND BENEFITS
City of Edgerton, Kansas

APPLICANT INFORMATION:

Application Date:	3/8/23	Summary of Incentives Provided:	Construction of a logistics center which will include approximately 1,006,016 square feet of industrial, warehouse, and/or manufacturing facilities for lease. LPKC Phase 1: 100% real property tax abatement for a 10 year period, as well as a construction sales tax exemption for materials, with a PILOT payment of \$0.21/s.f. per year.
Firm Name:	NorthPoint Development, LLC/ELHC IX, LLC		
Firm Address:	3315 North Oak Trafficway Kansas City, Missouri 64116		
Firm Contact:	Brent Miles 816-888-7380	Building Size (sf):	1,006,016

SUMMARY OF INCENTIVE PACKAGE (LOCAL GOVERNMENT IMPACTS ONLY):

Year	Property Tax Abatement		Construction Sales Tax Abatement		Direct Incentives		
	(%)	(\$)	(%)	(\$)	City	County	School
2	100	1,517,561	100	94,448	0	0	0
3	100	1,517,561	100	0	0	0	0
4	100	1,517,561	100	0	0	0	0
5	100	1,517,561	100	0	0	0	0
6	100	1,517,561	100	0	0	0	0
7	100	1,517,561	100	0	0	0	0
8	100	1,517,561	100	0	0	0	0
9	100	1,517,561	100	0	0	0	0
10	100	1,517,561	100	0	0	0	0
11	100	1,517,561	100	0	0	0	0

PAYMENT IN LIEU OF TAXES RECEIPTS:

City	County	School
(\$)	(\$)	(\$)
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593
44,867	26,871	93,593

SUMMARY OF PRESENT VALUE BENEFITS:

City Summary				
Year	Total Benefits	Total Costs	Net Benefit	Net PV Benefit
2	879,295	411,828	467,467	410,642
3	877,981	411,828	466,153	383,792
4	877,981	411,828	466,153	359,710
5	877,981	411,828	466,153	337,138
6	877,981	411,828	466,153	315,983
7	877,981	411,828	466,153	296,156
8	877,981	411,828	466,153	277,572
9	877,981	411,828	466,153	260,155
10	877,981	411,828	466,153	243,830
11	877,981	411,828	466,153	228,530
	8,781,122	4,118,276	4,662,845	3,113,509

County Summary			
Total Benefits	Total Costs	Net Benefit	Net PV Benefit
378,270	354,377	23,893	20,989
291,055	273,212	17,843	14,690
291,209	273,212	17,997	13,887
291,371	273,212	18,159	13,133
291,541	273,212	18,328	12,424
291,719	273,212	18,507	11,758
291,906	273,212	18,694	11,131
292,103	273,212	18,890	10,543
292,309	273,212	19,097	9,989
292,526	273,212	19,313	9,468
3,004,008	2,813,287	190,721	128,012

School District Summary			
Total Benefits	Total Costs	Net Benefit	Net PV Benefit
972,470	753,310	219,160	192,519
992,261	770,657	221,604	182,451
992,261	770,657	221,604	171,002
992,261	770,657	221,604	160,272
992,261	770,657	221,604	150,215
992,261	770,657	221,604	140,789
992,261	770,657	221,604	131,955
992,261	770,657	221,604	123,675
992,261	770,657	221,604	115,914
992,261	770,657	221,604	108,641
9,902,819	7,689,220	2,213,599	1,477,434

SUMMARY OF ECONOMIC IMPACT (over 10-year period):

Number of jobs to be created :	45
Number of new residents:	
City	0
County	20
School District	4
Expected 10-Year Contribution to PIF:	\$ 3,307,451
Impact of exemption on state revenues:	\$ (208,176)

CITY OF EDGERTON, KANSAS
COUNCIL AGENDA ITEM

Council Meeting Date: March 23, 2023
Agenda Item: Resolution Approving a First Amendment to Development Agreement
Subject: Edgerton Crossing Woodstone Project

The City and the Developer entered into a Development Agreement for the development of the Edgerton Crossing project on September 10, 2021. The Development Agreement contained a project construction schedule. The project construction schedule required the developer to commence vertical construction no later than July 1, 2023, and receive a certificate of occupancy for the project minimum improvements no later than December 31, 2025.

The project minimum improvements consist of:

- The travel center
- One hotel with the conference center
- A quick-service restaurant and a casual dining restaurant

The Developer has requested that the City agree to a one-year delay of the project construction schedule. In the First Amendment, the developer agrees to commence vertical construction by July 1, 2024 and obtain a CO for the project minimum improvements no later than December 31, 2026.

The Resolution authorizes the City to enter into the First Amendment to Development Agreement with Woodstone.

RESOLUTION NO. 03-23-23B

RESOLUTION AUTHORIZING THE CITY OF EDGERTON, KANSAS TO ENTER INTO A FIRST AMENDMENT TO DEVELOPMENT AGREEMENT FOR THE EDGERTON CROSSING WOODSTONE PROJECT

WHEREAS, the City of Edgerton, Kansas (the “City”), desires to promote, stimulate and develop the general welfare and economic prosperity of the City and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

WHEREAS, Woodstone Properties, LLC, a Missouri limited liability company (the “Developer”), desires to develop two hotels, a conference center, a travel center, restaurants, office and retail space (the “Project”) west of Homestead Lane and north of Interstate 35 in the Homestead Lane Retail TIF District; and

WHEREAS, the Developer and the City have previously entered into a Development Agreement dated September 10, 2021 (the “Original Agreement”) that provides for the development of the Project and the receipt by the Developer of certain incentives, and also contains a Project construction schedule; and

WHEREAS, the Developer has requested that the City extend the Project construction schedule to provide the Developer with additional time to develop the Project; and

WHEREAS, the City desires to provide for additional time to develop the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF EDGERTON, KANSAS, AS FOLLOWS:

Section 1. Approval of First Amendment to Development Agreement. The Governing Body hereby approves the form of First Amendment to Development Agreement in substantially the form attached hereto as **Exhibit A** (the “First Amendment”), which First Amendment amends the Project construction schedule in the Original Agreement.

Section 2. Execution of First Amendment. The Mayor of the City is hereby authorized to enter into the First Amendment, in substantially the form presented to and reviewed by the Governing Body at this meeting (a copy of which upon execution shall be filed in the office of the City Clerk), with such changes therein as shall be approved by the Mayor, the Mayor’s signature thereon being conclusive evidence of his approval thereof. The City Clerk of the City is hereby authorized and directed to attest to and affix the seal of the City to the First Amendment.

Section 3. Further Authority. The City shall, and the officers, employees and agents of the City are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution and to carry out, comply with and perform the duties of the City with respect to the First Amendment.

Section 4. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Governing Body.

ADOPTED this 23rd day of March, 2023.

CITY OF EDGERTON, KANSAS

[SEAL]

By: _____
Donald Roberts, Mayor

ATTEST:

Christopher Clinton, Deputy City Clerk

Approved as to form:

Scott W. Anderson, Economic Development Counsel

EXHIBIT A

FORM OF FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

(Woodstone Project)

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT (this “First Amendment”) is made this ____ day of March, 2023, between the **CITY OF EDGERTON, KANSAS**, a Kansas municipal corporation (the “City”), and **WOODSTONE PROPERTIES, LLC**, a Missouri limited liability company (the “Developer”), and amends the Development Agreement (Woodstone Project) dated September 10, 2021 (the “Original Agreement”), between the City and the Developer. The City and the Developer may each be referred to herein as a “party” and collectively as the “parties”.

RECITALS:

- A.** The City and the Developer have previously entered into the Original Agreement.
- B.** The parties desire to amend the Original Agreement as set forth herein (the Original Agreement, as amended by this First Amendment, the “Agreement”).

AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions contained herein, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

Section 1. Definitions. Capitalized terms used in this First Amendment but not defined herein shall have the meanings given to such terms as set forth in the Original Agreement.

Section 2. Amendment to Project Construction Schedule. Article VIII of the Original Agreement is hereby deleted and replaced with the following

ARTICLE VIII

PROJECT CONSTRUCTION SCHEDULE

Subject to an Excused Delay, Developer agrees that the Project will commence vertical construction no later than July 1, 2024. Subject to an Excused Delay, Developer agrees that the Project Minimum Improvements will receive a certificate of occupancy no later than December 31, 2026.

Section 3. Representations. Each party represents and warrants that it (a) has made due and diligent inquiry into the facts and matters which are the subject matter of this First Amendment; (b) fully understands the legal effect of this First Amendment; and (c) is duly authorized and

empowered to execute, deliver and perform this First Amendment according to its terms and conditions.

Section 4. Entire Agreement. The Agreement is the entire agreement between the parties with respect to the subject matter hereof, the terms and provisions of the Agreement are contractual and not mere recitals and no alterations, amendment, modification, or interpretation thereof shall be binding unless in writing and signed by all parties.

Section 5. Effectiveness of Original Agreement. Except as amended by this First Amendment, all terms and provisions of the Original Agreement shall remain in full force and effect.

Section 6. Counterparts. This First Amendment may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall be deemed to be one and the same instrument.

[Remainder of page intentionally blank.]

IN WITNESS WHEREOF, this First Amendment has been executed by the parties hereto on the date first above written.

CITY OF EDGERTON, KANSAS

a Kansas municipal corporation

By: _____
Donald Roberts, Mayor

Attest:

Christopher Clinton, Deputy City Clerk

APPROVED AS TO FORM:

Scott W. Anderson, Economic Development Counsel

WOODSTONE PROPERTIES, LLC

a Missouri limited liability company

By: _____
J. Shannon McMurdo
Member

City Council Action Item

Council Meeting Date: March 23, 2023

Department: Administration

Agenda Item: Consider Renewal of Corporate Insurance Policy for April 1, 2023 – March 31, 2024

Background/Description of Item:

Annually, the City of Edgerton considers the renewal of its corporate insurance policies. The corporate insurance policies include several coverages, such as Property, Crime (for employee theft), Inland Marine (contractor's equipment), General Liability, Public Officials Errors and Omissions, Employment Practices, Business Automobile, Pollution Liability (from the treatment plant) and Cyber Liability., etc.

Staff began working with Mr. O'Brien on the insurance renewal process for 2023-2024 in December. Because of the increase with Travelers for the Wind/Hail deductible, Reilly Insurance worked to get quotes from another agency, EMC Insurance, to compare costs.

The same methodology has been employed with regards to the coverage for this policy year as it has in past years. Staff determines which properties are to be insured in which manner (replacement cost, actual cash value (ACV), or self-insured). A comprehensive list was developed with those methods of coverage valuation and Council adopted those methods of replacement.

The property of the City can be insured in one of three ways: (1) at replacement cost, (2) actual cash value; or (3) self-insured.

Replacement Cost

- Assets insured at replacement cost are insured at a value that represents the cost to replace/rebuild including materials and labor with no deduction for depreciation.
- Council included assets at replacement cost when the cost to replace the asset is significant or when the need to replace the asset is immediate or is an emergency.
- To determine replacement cost, staff contacted contractors for pricing for assets in today's dollars, looked at prices recently paid by the City for similar items and researched the costs on the internet. For buildings, staff used a per square foot reconstruction cost researched on the internet and multiplied it by the square footage of City buildings as noted in the County Appraiser's records.

Actual Cash Value (ACV)

- Assets insured at ACV are insured at a value that represents the asset's current market value (replacement cost less depreciation).
- Council included assets at ACV when the City would not replace the asset or replace it in the same location or with the same type of asset.
- Staff determined the current value of an asset by depreciating the asset using the straight-line method of depreciation for assets that still have more than 25% of their useful life left. The straight-line depreciation method takes the cost of the asset less any value that might be left at the end of the asset's useful life and divides the result evenly over the useful life of the asset.
- For assets with less than 25% of their useful life left, staff researched the internet for a current value.

Self-Insure

- Assets that are self-insured are not included in the City's insurance policy. The cost to replace the asset will be paid in full by the City from reserves.
- Council included assets as self-insured when the cost to replace the asset is low or when the need to replace the asset isn't immediate or an emergency.

After reviewing the quotes and having conversations with Mr. O'Brien, it is recommended to purchase corporate insurance from EMC.

Attached are the proposed coverages and the associated costs comparison from Travelers and EMC Insurance.

The annual premium quote from EMC for the 2023-2024 coverage period is \$99,876.74, which is an increase of roughly \$3,000 from last years coverage period.

At the end of the attached Insurance Proposal is a Comparison Summary, Mr. O'Brien has provided some notes regarding the coverages outlined and the advantages of both Travelers and EMC.

It is recommended by Mr. O'Brien to purchase Property, Liability, Auto and Umbrella Coverage Insurance from EMC due to the premium cost of coverages and advantages outlined in their proposal. Cyber Liability Insurance will remain with Evolve, and Pollution Liability Insurance will remain with Crum & Foster for this year's renewal.

Insurance premium cost comparison is below:

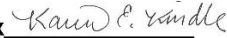
Insurance Type	2022-2023	2023-2024	Change
Property, Liability, Auto, Umbrella Coverage	\$86,711.00	\$88,890.00	\$2,179.00
Pollution Liability	\$5,671.00	\$5,855.44	\$184.44
Cyber Liability	\$4,293.00	\$5,040.30	\$747.30
Total Insurance Coverage Quote	\$96,675.00	\$99,785.74	\$3,110.74

The total 2023 budget allocated for insurance premiums is \$113,885.

Related Ordinance(s) or Statue(s): N/A

Funding Source: Funding for property insurance premiums is provided for in the General Fund (Administration and Parks), Water Fund (Administration) and the Sewer Fund (Treatment Plant, Lift Stations and Administration).

Budget Allocated: \$113,885

x 

Finance Director Approval: Karen Kindle, Finance Director

<p>Recommendation: Purchase Corporate Insurance Policy from EMC Insurance for the Period of April 1, 2023 – March 31, 2024, for a Premium Amount Not to Exceed \$99,875.74</p>

Enclosed:

Insurance Proposal with Summary & Comparison provided by Kevin O'Brien of The Reilly Company

Prepared by: Alexandria Clower, City Clerk



City of Edgerton
404 E Nelson St
Edgerton, KS 66021

Policy Term:

April 1, 2023
to
April 1, 2024

Presented: March 23, 2023

ACCOUNT SERVICING TEAM

No matter how comprehensive or price competitive your insurance program is, it's still people who service it to ensure that the coverage will respond when it's needed. We feel our people are our greatest asset - courteous professionals who know that you expect and deserve the very best.

These are the people who will be handling your account:

KEVIN O'BRIEN	AGENT	kevin.obrien@reillyinsurance.com
KAREN LORE	ACCOUNT MANAGER	karen.lore@reillyinsurance.com
TAMMY WAGNER	CLAIMS/BONDS	tammy.wagner@reillyinsurance.com

The Reilly Company
Leavenworth Office: 608 Delaware, Leavenworth, KS 66048
Phone: 913-682-1234; FAX: 913-682-8136
Kansas City Office: 11225 College Blvd., Ste 210, Overland Park, KS
Phone: 913-708-8700; FAX: 913-708-8880

This presentation is designed to give you an overview of the insurance coverages we recommend for your company. It is intended only as a general understanding of your insurance needs and should not be construed as a legal interpretation of the insurance policies that will be written for you. Please refer to your specific insurance contracts for details on coverages, conditions and exclusions.

In evaluating your exposures to loss, we have been dependent upon information provided by you. If there are any other areas that need to be evaluated prior to binding of coverage, please bring these areas to our attention. Should any of your exposures change after coverage is bound, such as your beginning new operations, hiring employees in new states, buying additional property, etc., please let us know so proper coverage can be discussed.

COMMERCIAL PROPERTY COVERAGE

Named Insured: City of Edgerton
Company Name: EMC Insurance (rated **A** by A.M. Best)
Policy Term: April 1, 2023 to April 1, 2024

Causes of Loss: Special Form subject to policy exclusions
Deductible: \$5,000 for All Perils Except \$25,000 on Wind/Hail and 10% on Earthquake (per Occurrence)
Valuation: Replacement Cost
Coinsurance: Waived by Agreed Value

Blanket Limit of All Property Insured - \$21,018,350 – This is 90% of the Total Values on the Schedule Provided (copy attached)

Business Income/Extra Expense - \$1,000,000 including Rental Value and Ordinary Payroll
Equipment Breakdown – Included
Earthquake - \$2,500,000

Key Exclusions:

Cyber Incidents
Cannabis
Virus or Bacteria
Limitation on Coverage for Roof Surfacing - Cosmetic Damage

EMC Differences from Travelers:

-Travelers expiring wind/hail deductible was \$25,000. Their renewal wind/hail deductible is increasing to 1% (of property values, not claim amount), subject to a \$100,000 minimum per Occurrence. EMC is accepting a \$25,000 wind/hail deductible. The City can purchase a deductible buy-down program to \$25,000 per Occurrence for an additional premium of approximately \$20,000.

-Travelers expiring earthquake deductible was \$25,000. EMC is 10% (of property values, not claim amount) per Occurrence

-Business Income/Extra Expense limit was \$250,000 with Travelers. EMC is offering \$1,000,000

-Travelers provided \$2,500,000 in Flood coverage for certain locations (buildings 01-09, 21-30, 32-34, 37-54, 56, 60-68, 71-73). EMC is not offering any Flood coverage under the Property form.

Description	Location	Building Value	Contents Value
Community Center/City Hall	404 E. Nelson St, Edgerton, KS 66021 *	\$2,036,928	\$37,132
Water Tanks & Telemetry Equipment (150,000 gallons)	818 W 8th St, Edgerton, KS 66021 *	\$477,405	\$0
Fence - Water Tower	818 W 8th St, Edgerton, KS 66021 *	\$4,456	\$0
Water Tanks & Telemetry Equipment (50,000 gallons) (Manor Park)	1st St at E. Martin St., Edgerton, KS 66021 *	\$397,838	\$0
Fence - Water Tower	1st St at E. Martin St., Edgerton, KS 66021 *	\$3,183	\$0
Outdoor Warning Siren - Manor Park	1st St at E. Martin St., Edgerton, KS 66021 *	\$27,583	\$0
Manor Park Playground Equipment	1st St at E. Martin St., Edgerton, KS 66021 *	\$45,799	\$0
Manor Park Rubber Mulch at this location	1st St at E. Martin St., Edgerton, KS 66021 *	\$22,268	\$0
Manor Park Shelter	1st St at E. Martin St., Edgerton, KS 66021 *	\$30,257	\$0
Parks Maint Bldg	710 E. Nelson St, Edgerton, KS 66021	\$131,552	\$5,305
Public Works Building	710 E. Nelson St, Edgerton, KS 66021	\$384,441	\$37,132
Fence	710 E. Nelson St, Edgerton, KS 66021	\$297,052	\$0
Barn (Lean To w/Equipment) (80x40)	710 E. Nelson St, Edgerton, KS 66021	\$79,568	\$0
Salt Storage Barn (Quonset Hut) (65x30)	710 E. Nelson St, Edgerton, KS 66021	\$23,340	\$0
Edgerton Waste Water Lift Station (EWWLS)	710 E. Nelson St, Edgerton, KS 66021	\$777,640	\$0
EWWLS Fence	710 E. Nelson St, Edgerton, KS 66021	\$36,071	\$0
EWWLS Generator	710 E. Nelson St, Edgerton, KS 66021	\$33,949	\$0
Edgerton Lake Park Shelter House #1	600 E. 6th St, Edgerton, KS 66021	\$19,970	\$0
Edgerton Lake Park Shelter House #2	600 E. 6th St, Edgerton, KS 66021	\$30,257	\$0
Edgerton Lake Park Shelter House #3	600 E. 6th St, Edgerton, KS 66021	\$19,970	\$0
Maintenance Building	307 E. Nelson St, Edgerton, KS 66021 *	\$74,263	\$21,218
Concessions Building	Martin Creek Park, Edgerton, KS 66021 *	\$74,263	\$5,305
Poles/Lights (field 1)	Martin Creek Park, Edgerton, KS 66021 *	\$159,135	\$0
Poles/Lights (field 2)	Martin Creek Park, Edgerton, KS 66021 *	\$159,135	\$0
Poles/Lights (field 3)	Martin Creek Park, Edgerton, KS 66021 *	\$159,135	\$0
Shelter	Martin Creek Park, Edgerton, KS 66021 *	\$47,741	\$0
Tennis Court Lights	Martin Creek Park, Edgerton, KS 66021 *	\$159,135	\$0
Playground Equipment	Martin Creek Park, Edgerton, KS 66021 *	\$14,078	\$0
Baseball backstops (field #1 & #2)	Martin Creek Park, Edgerton, KS 66021 *	\$4,498	\$0

Baseball Fence (field #1 & #2)	Martin Creek Park, Edgerton, KS 66021 *	\$3,183	\$0
8th Street Sewer Lift Station	W. 7th & W. 8th St, Edgerton, KS 66021	\$500,000	\$0
Library (not on historic register)	319 E. Nelson St, Edgerton, KS 66021 *	\$920,243	\$0
Water Tower (200,000 gallons) (County Line)	20325 County Line Rd, Edgerton, KS 66021 *	\$636,540	\$0
Fence - Water Tower (County Line)	20325 County Line Rd, Edgerton, KS 66021 *	\$13,792	\$0
Baldwin Booster Pump Station	200 Road, Baldwin, KS 66006	\$148,526	\$0
Fence - Baldwin Booster Pump Station	200 Road, Baldwin, KS 66006	\$9,920	\$0
Edgerton Community Museum	406 E. Nelson St, Edgerton, KS 66021 *	\$116,699	\$0
Skate Park	Glendell Acres Park, 310 W. Edgewood Dr, Edgerton, KS *	\$5,372	\$0
IMF Lift Station	32882 W. 191st St, Edgerton, KS 66021 *	\$500,000	\$0
IMF Lift Station - Fence	32882 W. 191st St, Edgerton, KS 66021 *	\$4,690	\$0
IMF Lift Station - Generator	32882 W. 191st St, Edgerton, KS 66021 *	\$24,401	\$0
Outdoor Warning Siren-IMF Lift Station	32882 W. 191st St, Edgerton, KS 66021 *	\$27,583	\$0
Big Bull Creek WWTP	20600 Homestead Ln, Edgerton, KS 66021 *	\$6,112,635	\$0
Big Bull Creek WWTP - Solids Bldg	20600 Homestead Ln, Edgerton, KS 66021 *	\$1,591,350	\$0
Big Bull Creek WWTP - Admin Bldg	20600 Homestead Ln, Edgerton, KS 66021 *	\$907,070	\$26,523
Big Bull Creek WWTP - Headworks Bldg	20600 Homestead Ln, Edgerton, KS 66021 *	\$562,277	\$0
Big Bull Creek WWTP - Fence/Gate	20600 Homestead Ln, Edgerton, KS 66021 *	\$56,228	\$0
Big Bull Creek WWTP - Generator	20600 Homestead Ln, Edgerton, KS 66021 *	\$127,308	\$0
Single Family Dwelling (Yellow House-Overflow City Offices)	305 E Nelson St, Edgerton, KS 66021 *	\$116,699	\$26,523
Outdoor Warning Siren - Braun St.	1100 W. Braun, Edgerton, KS 66021 *	\$27,583	\$0
Water Control Vault w/Telemetry Equipment-US 56	100 W. 8th Street, Edgerton, KS 66021 *	\$4,774	\$0
Water Control Vault w/Telemetry Equipment-207th Street	900 W. Braun, Edgerton, KS 66021 *	\$3,183	\$0
Traffic Signals	20365 Homestead Ln, Edgerton, KS - Northside of Intersection *	\$223,850	\$0
Traffic Signals	20336 Homestead Ln, Edgerton, KS - Southside of Intersection *	\$223,850	\$0
Traffic Signals	32708 W. 199th St, Edgerton, KS 66021*	\$223,850	\$0
Traffic Signals	19108 Homestead Ln, Edgerton, KS 66021 *	\$223,850	\$0
Street Lights	Waverly Road*	\$235,838	\$0

Street Lights	Homestead Ln Interchange*	\$241,885	\$0
Street Lights	207th & Homestead	\$430,169	\$0
Street Lights	207th & Waverly	\$117,420	\$0
Traffic Signals	191st Street & Waverly Rd.*	\$223,850	\$0
Government Offices	312B E. Nelson St., Edgerton, KS *	\$0	\$15,914
Essex Waste Water Lift Station	19129 Essex Street, Edgerton Ks. *	\$795,675	\$0
Essex Waste Water Lift Station - Generator	19129 Essex Street, Edgerton Ks. *	\$106,090	\$0
Essex Waste Water Lift Station - Vinyl Fence	19129 Essex Street, Edgerton Ks. *	\$13,527	\$0
Big Industrial Waste Water Lift Station	18517 Waverly Rd *	\$500,000	\$0
Big Industrial Waste Water Lift Station - Generator	18517 Waverly Rd *	\$24,401	\$0
Big Industrial Waste Water Lift Station - Vinyl Fence	18517 Waverly Rd *	\$13,103	\$0
BBCLS	32500 W 207th St., Edgerton, KS	\$500,000	\$0
BBCLS Generator	32500 W 207th St., Edgerton, KS	\$23,690	\$0
BBCLS Fencing	32500 W 207th St., Edgerton, KS	\$12,721	\$0
Spoon Creek Booster Pump Station	20690 Spoon Creek *	\$286,443	\$0
Fence - Spoon Creek Booster Pump Station	20690 Spoon Creek *	\$3,342	\$0
207th Street Grade Sep - Street Lights	37198 W 207th St., Edgerton, KS	\$314,150	\$0
House and Garage	414 E. 4th Street, Edgerton, KS	\$290,000	\$0
Total Values			
		\$23,178,670	\$175,052
		\$23,353,722	

EQUIPMENT COVERAGE

Named Insured: City of Edgerton
 Company Name: EMC Insurance (rated **A** by A.M. Best)
 Policy Term: April 1, 2023 to April 1, 2024

Causes of Loss: Special Form subject to policy exclusions
 Deductible: \$1,000
 Valuation: Actual Cash Value
 Coinsurance: 80%

<u>Limits</u>	<u>Coverage Description</u>
\$860,377	Scheduled Equipment – As Per Schedule Provided (copy attached)
\$ 20,000	Unscheduled Owned Equipment (\$2,500 Per Item)
\$ 75,000	Unscheduled Equipment Owned by Others (Leased/Rented)
\$ 5,000	Rental Costs Reimbursement
\$224,000	Electronic Data Processing – Hardware
\$ 50,000	Electronic Data Processing - Media

Contractors Equipment Form Provides Coverage for Earthquake and Flood

EMC Differences from Travelers:

- Travelers offered \$25,000 for Rental Costs Reimbursement. EMC is offering \$5,000
- The Unscheduled Equipment per item limit was \$5,000 through Travelers. It's \$2,500 through EMC.
- *If either limit above should be increased, we can request a quote
- Travelers included Flood and Earthquake coverage for Contractors Equipment but any such claim was subject to a \$25,000 deductible.

Year	Manufacturer	Model	Description	Serial #	Value
2017	Kubota	RTVX1100	Utility Vehicle	A5KC2GDBAHG034584	13,772
2017	Caterpillar	PNG0729	12M3 AWD Motor Grader	CAT0112MHN9B00409	265,963
2020	Caterpillar	212-6231	Motor Grader Scarifier	8AW02416	3,428
2018	Volvo	DD25B	Roller	VCE0D25BF0H661034	35,029
2017	Kubota	SSV75PHFRC	Skid Loader w/ Cab, Pilot Controls, Hydraulic Coupler	JKUS0751K00J23116	39,742
2017	Kubota	AP-HD74	Skid Steer Tooth Bucket	1031804K	incl w/Skid Loader
2017	Kubota	AP-HD74	Skid Steer Smooth Bucket	1011803K	incl w/Skid Loader
2018	Coneqtec Universal	AP450HD	Mill Head	C13117	9,332
2019	Kubota	AP-HB74-16	Box Broom Attachment - Skid Loader	1072694K	4,882
2017	John Deere	50G	Compact Excavator	1FF050GXPGH284368	57,446
2016	John Deere	AT439374	12" Bucket	2067093	Incl w/ 50G
2016	John Deere	AT316565	36" (Smooth) Bucket	2045041	592
2016	John Deere	AT316562G	18" Bucket	2380913	592
2018	Mahindra	2555HTS Cab	Tractor Product #25554CHIL	55HCK00859	32,935
2018	Mahindra	2555	Loader & Bucket	55CL K00383	Incl w/tractor
2018	Mahindra	20KPL3PT72-M	Aerator	K13361-1	2,319
2018	KOD	KBSHD6	Heavy Duty 6' Box Blade	245749	703
1998	Case Uniloader	1840		JAF0248235	8,500
2020	Caterpillar	926M	W/ 3yd Bucket - 360-3323	D8T628932J308897	156,879
2020	Dymax	Grapple Bucket	With 2020 CAT - Model DX-BK-GL-3	170430	21,810
2020	Caterpillar	Fork Attachment	With 2020 CAT	532-8222	3,505
2020	Seal Master	Crack Pro 125	Crack Seal Machine	1S9P1151XL0420511	57,804
2021	American Equipment Co	WXL-16	Dump Bed / Hydraulics / Electrical		Incl w/Truck
2021	American Equipment Co	VariTech	Anti Ice Unit AI1620-HCL-3NBPDN	14180	16,674
2011	Simplicity	17 HP Pacer	Walk Behind Mower		1,819

2017	Hustler	HTE934935	Super Z HD 60 RD Mower	17073115	6,778
2017	Hustler	HTE934976	Super Z HD 72 RD Mower	17090534	5,871
2018	Wright Stander	WSZK61s61E8E-49s	61" Zero Turning Mower	107296EF	5,607
2015	Bad Boy	Outlaw	61' Zero Turn Mower	BB0612T74002151006	5,517
2017	Graphtec	FC8600-130	54' Cutting Plotter		3,771
2017	HSRA	HSRA-48	Squeeze Roller	1708-3771	1,143
2017	Kubota	V5289	72' Comm'l Plow Blade for UTV	21615504	2,639
2017	Boss	STB19200 - EXT	8'-10' Plow w/ Rubber deflector	401250953	3,480
2017	Boss	STB19200 - EXT	8'-10' Plow w/ Rubber deflector	401250652	3,480
2014	Caterpillar	230-7098	V-Plow for Cat Motor Grader	7YW03939	19,200
2017	ARM	SPX-10	10 ft Plow	7796	3,000
2017	Western	MVP - 76980		1702211-0090376980	2,850
2019	Meyer	Lot Pro	9 ft Lot Pro	oo251809403	3,651
2021	American Equipment Co	Henke 36R12IS-ECT	12 ft Plow	32232	12,000
2015	Cub Cadet	31DH975W710	Snow Blower	16174B10153	1,707
2016	Cornwell		Apprentice Tool Set	n/a	4,200
2016	Rotory	SM014	Vehicle Lift	FA7147	9,450
2021	Wacker Neuson	ABCe	Concrete Vibrator w/ Battery		2,857
2021	ABI	Rascal Pro	Infield Groomer 10-99077	A-112037	5,800
2021	Cyclone Rake	Z-10	Leaf Vacuum	1L23V0013F121032455 61575	3,600
2017	Buyers	BU-1400601SS	8' Electric Stainless Steel Spreader	4780	2,550
2017	ARM	UTC	Tail Gate Spreader		1,500
2021	American Equipment Co	AC-2400-16	Spreader AC-2400-13	SC20815	16,000
Total Values					
					\$860,377

COMMERCIAL CRIME COVERAGE

Named Insured: City of Edgerton
Company Name: EMC Insurance (rated **A** by A.M. Best)
Policy Term: April 1, 2023 to April 1, 2024

<u>Limits</u>	<u>Deductible</u>	<u>Coverage Description</u>
\$200,000	\$4,000	Employee Dishonesty (Travelers - \$1,000)
\$ 25,000	\$1,000	Forgery and Alteration
\$ 25,000	\$1,000	Theft Disappearance & Destruction-Inside Premises
\$ 25,000	\$1,000	Theft Disappearance & Destruction-Outside Premises
\$ 25,000	\$1,000	Computer and Funds Transfer Fraud

EMC Differences from Travelers:

-Travelers offered separate \$25,000 limits for Computer Fraud and Funds Transfer Fraud. EMC is combining the two coverages for one limit of \$25,000.

COMMERCIAL GENERAL LIABILITY COVERAGE

Named Insured: City of Edgerton
 Company Name: EMC Insurance (rated **A** by A.M. Best)
 Policy Term: April 1, 2023 to April 1, 2024

Coverage Written On: ☒ Occurrence Form
 Deductible: \$500 for Property Damage per Claim

<u>Limits</u>	<u>Coverage Description</u>
\$1,000,000	Each Occurrence - Bodily Injury and Property Damage
\$2,000,000	General Aggregate
\$2,000,000	Products and Completed Operations Aggregate
\$1,000,000	Personal and Advertising Injury
\$ 500,000	Fire Damage (any one fire)
\$ 5,000	Medical Expense
\$1,000,000	Employee Benefits Liability/Each Employee / \$1,000 deductible
\$3,000,000	Employee Benefits Liability Aggregate Limit / 4/1/2000 Retro
\$1,000,000	Abuse or Molestation Each Offense
\$2,000,000	Abuse or Molestation Aggregate Limit
\$ 500,000	Kansas Each Occurrence Statutory Cap Limit
Includes:	Premises and Operations Products and Completed Operations Owners and Contractors Liability Employees as Additional Insureds Incidental Malpractice Non-Owned Aircraft Non-Owned Watercraft Liability Government Subdivisions Pesticide/Herbicide Applicator Coverage – Weed Control and Mosquito Fogging Workplace Violence Expenses-\$25,000 per person/\$100,000 agg Kansas Tort Liability Endorsement **Additional Insured **Primary and Non-Contributory Additional Insured **Waiver of Subrogation

****When required by written contract.**

COMMERCIAL GENERAL LIABILITY COVERAGE (CONTINUED)

(S) GROSS SALES - PER \$1,000/SALES (A) AREA - PER 1,000/SQ. FT. (M) ADMISSIONS - PER 1,000/ADM
(P) PAYROLL - PER \$1,000 PAY (C) TOTAL COST - PER \$1,000/COST (U) UNIT - PER UNIT (E) Each
(O) Other

Exposure/Classification	State	Premium Basis
Dam, Levee or Dike – Existence Hazard Only	KS	1 E
Water Companies	KS	\$91,255 P
Town Liability Incl Work Subcontracted to Others	KS	1,741 O
Parades	KS	0 E
Skateboard/In-Line Skating	KS	1 E
Special Events	KS	3 E

Subject to Annual Audit

Key Exclusions:

Medical Payments (goodwill coverage) Applicable to Skate Park
Carnival, Circuses or Fairs (but included if Certificate is provided by Inflatable Provider with \$1,000,000 Minimum Limits) *
Punitive Damages Acts of Terrorism
Silica, Asbestos, Lead, Fungi or Bacteria, Nuclear Energy Liability
Cannabis
Employment Related Practices (but included in Linebacker coverage)
Failure to Supply
Injury to Volunteer Firefighters
Communicable Disease
*Any Other City-Sponsored Event Until Information is Provided to the Underwriter and Authorization of Coverage is given

EMC Differences from Travelers:

- The Aggregate limit for Employee Benefits Liability through Travelers was \$3,000,000. It is \$2,000,000 through EMC.
- Travelers covers fireworks events conducted by a licensed pyrotechnician but EMC requires the pyrotechnician/fireworks company to name the City as Additional Insured with minimum liability limits of \$1,000,000 with a "per event" aggregate limit.
- Travelers does not exclude Failure to Supply but EMC does.
- Travelers provides Workplace violence expense coverage of \$250,000 per event/aggregate and EMC provides \$25,000 per person/\$100,000 aggregate

PUBLIC ENTITY MANAGEMENT LIABILITY AND EMPLOYMENT PRACTICES LIABILITY AKA LINEBACKER COVERAGE

Named Insured: City of Edgerton
 Company Name: EMC Insurance (rated **A** by A.M. Best)
 Policy Term: April 1, 2023 to April 1, 2024

Coverage Written On: Claims-Made Form
 Retroactive Date: 4/1/2004

<u>Limits</u>	<u>Coverage Description / Features</u>
\$1,000,000	Each Wrongful Act
\$2,000,000	Aggregate for Each Policy Term
\$ 2,000	Deductible Each Claim

Linebacker public officials' errors and omissions (E&O) and employment practices liability covers defense and judgements protecting:

- The organization named in the declarations
- The organization's past, present and future employees, volunteers and lawfully elected or appointed officials
- Lawfully appointed members of the commissions, boards or other units operated under the organization's jurisdiction and within an allocation of the organization's operating budget
- The estates, heirs or legal representatives of deceased persons who were policyholders
- Policyholders serving on boards of other tax-exempt entities at the direction of the insured organization

Public Officials Wrongful Acts

- Acts, omissions, neglect or breach of duty by a policyholder in the discharge of organizational duties including actual or alleged errors, misstatements or misleading statements

Employment Wrongful Acts The following actual or alleged practices directed against your clients' employees, leased workers, temporary employees, former employees and applicants for employment for which remedy is sought under any federal, state or local statutory or common civil employment law:

- Employment-related misrepresentation
- Harassment, coercion, discrimination or humiliation as a consequence of race, color, creed, national origin, marital status, gender, age, pregnancy, sexual orientation (where applicable) and more
- Oral or written publication of material that slanders, defames or libels an employee or invades right of privacy

LINEBACKER COVERAGE (CONTINUED)

- Wrongful demotion, negligent evaluation, negligent reassignment or wrongful discipline
- Wrongful failure to promote or deprivation of career opportunity
- Wrongful refusal to employ
- Wrongful termination of employment including retaliatory or constructive discharge

Note: Refer to policy and forms for all terms, conditions and exclusions.

EMC Differences from Travelers:

- Travelers offered separate \$1MM/2MM limits for Management Liability and Employment Practices Liability. EMC is combining the two coverages.
- Deductible through Travelers is \$2,500
- Travelers offers a “consent to settle” provision for EPL claims but EMC does not.
- EMC provides \$1,000,000 defense coverage only for non-monetary claims and Travelers provides only up to \$10,000 of defense expenses

COMMERCIAL AUTOMOBILE COVERAGE

Named Insured: City of Edgerton
Company Name: EMC Insurance (rated **A** by A.M. Best)
Policy Term: April 1, 2023 to April 1, 2024

Limits

\$1,000,000

\$1,000,000

Coverage Description

Combined Single Limit - Bodily Injury and Property Damage

Uninsured/Underinsured Motorists

Physical Damage Coverage (see attached automobile schedule)

Includes: ☒ Non-Owned Auto Liability
 ☒ Hired Auto Liability
 ☒ Hired Car Physical Damage – Included, no limit

Automatic Coverages:

Temporary Substitute Auto Physical Damage

Volunteer Workers Covered as Additional Insureds

Employee Hired Autos

Temporary Transportation Expenses \$75 day/\$2,500 maximum

Rental Reimbursement \$75 day/\$2,250 maximum

Mutual Aid Expense – Reimbursement \$7,500 maximum

Glass Repair – Deductible waiver If repaired or replaced

Blanket Additional Insured When Required by Contract

Blanket Waiver of Subrogation When Required by Contract

Note: The 2022 Jetter trailer added is valued at \$94,840

COMMERCIAL AUTOMOBILE COVERAGE (CONTINUED)

Commercial Automobile Schedule

Veh #	Year	Vehicle Make Vehicle Model Serial Number	Liab	Med Pay/KS PIP	UM/UIM	Comp Deductible	Collision Deductible
1	2001	Ford F250 1FTNF21L41EB39836	x	x	x	\$1,000	\$1,000
2	2003	Chevy Silverado 1GCEC19Z43Z304694	x	x	x	\$1,000	\$1,000
3	2015	Ford F250 1FT7W2B68FEA88530	x	x	x	\$1,000	\$1,000
4	2015	Ford F350 1FTRF3B61FEA88528	x	x	x	\$1,000	\$1,000
5	2015	Ford F150 1FTEX1EPXFKD30819	x	x	x	\$1,000	\$1,000
6	2015	Ford F150 1FTEX1EP9FKE51454	x	x	x	\$1,000	\$1,000
7	2016	Isuzu Elgin Broom Badger Street Sweeper JALE5W160G7303812	x	x	x	\$3,000	\$3,000
8	2017	Ford F350 w/plow 1FT8W3B60HEE05312	x	x	x	\$1,000	\$1,000
9	2017	Mack Granite GU 432 1M2AX34C2HM010728	x	x	x	\$3,000	\$3,000
10	2018	Lamar Utility Trailer 5RVUC12XJP056353	x	x		\$1,000	\$1,000
11	2022	Trailer with Sewer Jetter mounted 1S9S22123ND381543	x	x		\$1,000	\$1,000
12	2018	Diamond C Flatbed Trailer 46UFU2426J1195966	x	x		\$1,000	\$1,000
13	2018	Diamond C Road Clipper Trailer 46UFU2423J1203361	x	x		\$1,000	\$1,000
14	1987	Starlight Utility Trailer 1HWFS162541	x	x		\$1,000	\$1,000
15	2019	Ford F350 w/ plow 1FD8W3H64KED68646	x	x	x	\$1,000	\$1,000
16	2019	Ford F350 w/ 9ft Utility Bed + Crane 1FD8W3H64KED68647	x	x	x	\$1,000	\$1,000
17	2021	Ford F350 1FT8X3B60MEC70520	x	x	x	\$1,000	\$1,000
18	2022	Mack Granite FR 1M2GR3GC3NM025427	x	x	x	\$3,000	\$3,000
19	2022	Wanco Trailer 5F12S1013N10005078	x	x		\$1,000	\$1,000
20	2022	Wanco Trailer 5F12S1013N10005079	x	x		\$1,000	\$1,000
21	2001	Ford F250 3FTNF21L71MA02545	x	x	x	\$1,000	\$1,000

EXCESS LIABILITY POLICY

Named Insured: City of Edgerton
 Company Name: EMC Insurance (rated **A** by A.M. Best)
 Policy Term: April 1, 2023 to April 1, 2024

<u>Limits</u>	<u>Coverage Description</u>
\$4,000,000	Each Occurrence
\$4,000,000	Annual Aggregate
\$ 10,000	Retention

Underlying Insurance Information:

Auto Liability	\$1,000,000	Combined Single Limit
General Liability	\$1,000,000	Each Occurrence
	\$2,000,000	General Aggregate
	\$2,000,000	Products Aggregate
	\$1,000,000	Personal Injury
Employee Benefits Liability	\$1,000,000	Each Claim
	\$2,000,000	Aggregate
Public Entity Management Liability	\$1,000,000	Each Loss
& Employment Practices Liability	\$2,000,000	Aggregate

Exclusions:

Failure to Supply
 Lead
 Fungi or Bacteria
 Nuclear Energy Liability
 Communicable Disease
 Punitive Damages Acts of Terrorism
 Unmanned Aircraft
 Silica
 Cannabis
 Emergency Vehicles-Volunteer Firefighter

EMC Differences from Travelers:

-Travelers policy contains the following exclusions that EMC does not: Intellectual Property, Watercraft Liability, Mobile Equipment Racing, Public Use of Private Property, Discrimination, Law Enforcement Activities or Operations, Pollution Not Related to Autos, and Professional Health Care Services

CYBER COVERAGE

Named Insured: City of Edgerton
 Company Name: Evolve - Certain Underwriters at Lloyds of London (rated **A** by A.M. Best)
 Policy Term: April 1, 2023 to April 1, 2024

<u>Limits</u>	<u>Coverage Description – Cyber Incident Response</u>
\$1,000,000	Incident Response Costs (\$0 Deductible)
\$1,000,000	Legal and Regulatory Costs
\$1,000,000	IT Security and Forensic Costs
\$1,000,000	Crisis Communication Costs
\$1,000,000	Privacy Breach Management Costs
\$1,000,000	Third Party Privacy Breach Management Costs
\$ 50,000	Post Breach Remediation Costs

<u>Limits</u>	<u>Coverage Description – Cyber Crime</u>
\$ 250,000	Funds Transfer Fraud (Social Engineering)
\$ 250,000	Theft of Funds Held in Escrow
\$ 250,000	Theft of Personal Funds
\$1,000,000	Extortion
\$ 250,000	Corporate Identity Theft
\$ 250,000	Telephone Hacking
\$ 50,000	Push Payment Fraud
\$ 250,000	Unauthorized Use of Computer Resources

<u>Limits</u>	<u>Coverage Description – System Damage and Business Interruption</u>
\$1,000,000	System Damage and Rectification Costs
\$1,000,000	Income Loss and Extra Expense
\$ 100,000	Additional Extra Expense
\$1,000,000	Dependent Business Interruption
\$1,000,000	Consequential Reputational Harm
\$ 25,000	Claim Preparation Costs
\$1,000,000	Hardware Replacement Costs

<u>Limits</u>	<u>Coverage Description – Network Security & Privacy</u>
\$1,000,000	Network Security Liability
\$1,000,000	Privacy Liability
\$1,000,000	Management Liability
\$1,000,000	Regulatory Fines
\$1,000,000	PCI Fines, Penalties and Assessments

CYBER COVERAGE (CONTINUED)

Limits

\$1,000,000

\$1,000,000

\$ 100,000

\$ 50,000

\$ 250,000

\$ 50,000

\$ 5,000

Additional Coverages

Media Liability – Defamation

Intellectual Property Rights Infringement

Court Attendance Costs

Criminal Reward Coverage

Contingent Bodily Injury

Corrective Action Plan Costs

Deductible

POLLUTION LIABILITY

Named Insured: City of Edgerton
 Company Name: Crum & Forster Specialty Insurance Co (rated **A** by A.M. Best)
 Policy Term: April 1, 2023 to April 1, 2024

Coverage: Claims Made
 Retro Date: 04/01/2016

<u>Limits</u>	<u>Deductible</u>	<u>Coverage Description</u>
\$2,000,000		General Aggregate
\$1,000,000	\$5,000	Third Party Pollution Each Condition
\$1,000,000	\$5,000	Onsite Cleanup Each Pollution Condition

Additional Coverages / Exclusions:

Non-Owned Disposal Site Liability - \$1,000,000/\$2,000,000

Covered Locations Endorsement – 20590 Homestead Lane, Edgerton, KS 66021

Primary and Non-Contributory Additional Insured with Waiver of Subrogation*

Additional Insured – Designated Person or Organization – Wastewater Treatment Facility

Exclusion – Communicable Disease

Exclusion – Glyphosate

Exclusion - PFAS

*Blanket when specifically required by written contract

PREMIUM SUMMARY

DESCRIPTION OF COVERAGE	2022/23 PREMIUM	2023/24 PREMIUM w TRAVELERS	2023/24 PREMIUM w EMC
Commercial Property + Crime Values Increased 2%	\$40,084.00	\$42,389.00	\$50,475.00
Commercial Inland Marine Equipment Values Increased 2%	\$3,825.00	\$ 3,894.00	\$ 6,930.00
Commercial General Liability	\$15,531.00	\$17,309.00	\$10,123.00
Public Entity Management Liability Employee Count Increased 10%	\$ 5,464.00	\$ 6,031.00	\$ 4,320.00
Public Entity Employment Related Practices Liability Employee Count Increased 10%	\$ 3,499.00	\$ 3,873.00	Included
Commercial Auto Trailer Units Increased by 2	\$11,750.00	\$12,058.00	\$10,708.00
Excess Liability	\$ 6,558.00	\$ 7,369.00	\$ 6,334.00
Cyber Liability City Revenue Increased 10%	\$ 4,293.00 (Evolve)	\$ 5,040.30 (Evolve)	\$ 5,040.30 (Evolve)
Pollution Liability	\$ 5,671.00 (Crum & Forster)	\$ 5,855.44 (Crum & Forster)	\$ 5,855.44 (Crum & Forster)
Total Estimated Premium	\$96,675.00	\$103,818.74	\$99,785.74

Payment Plans:

EMC - Direct Bill – Full Pay, 2-Pay, 4-Pay, 10-Pay

Travelers – Direct Bill – Full Pay

Crum & Forster – Pollution – Agency Bill – Full Pay

Lloyds of London – Cyber – Agency Bill – Full Pay

SUMMARY COMPARISON OF THE TRAVELERS AND EMC PROGRAMS

Travelers Advantages:

- Property – Blanket Limit of insurance is \$23,353,722 which is 100% of the total values. (EMC is providing a blanket limit of insurance of \$21,018,350, or 90% of the total values).
- Property - \$2,500,000 flood coverage at some locations (EMC is not quoting flood insurance)
- Property – No Cosmetic Damage Roof Limitation (EMC has this limitation). This means that if there are hail dings on the roof, EMC will not pay to replace the roof unless the functionality of the roof is compromised.
- Liability – Fireworks events are covered to \$1,000,000 if conducted by a licensed pyrotechnician. (EMC requires the fireworks company to name the City as additional insured with limits of \$1,000,000 with a “per event” aggregate limit.
- Public Entity Management Liability and Employment Practices Liability – Travelers offers separate limits of \$1,000,000 for each of these two coverages. (EMC combines the two coverages into one limit of \$1,000,000)

EMC Advantages:

- Property - \$25,000 per occurrence Wind/Hail deductible. (Travelers requires a 1% per occurrence Wind/Hail deductible (1% of property values), subject to a minimum of \$100,000). This deductible can be “bought down” to \$25,000 for an additional premium of approximately \$20,000.
- Property - \$1,000,000 business interruption coverage (Travelers has \$250,000 limit)
- Equipment - \$1,000 deductible per occurrence for all covered claims including flood and earthquake. (Travelers has a \$25,000 deductible per occurrence if the loss is due to flood or earthquake).
- Premium – 3% increase over the current expiring Travelers program. (Travelers has a 7% premium increase)
- Dividend Potential – EMC offers a valuable dividend program. (Travelers does not). This dividend (which is a return of premium) is calculated at the end of the policy term for the entire EMC Municipal Insurance book of business. This is not guaranteed but EMC has paid such a dividend every year in the past 10+ years and it has averaged 18.9% in the past 5 years.

City Council Action Item

Council Meeting Date: March 23, 2023

Department: Public Works

Agenda Item: Consider Early Procurement for Generator as Part of Greenspace Project.

Background/Description of Item:

On February 9th, 2023 The City of Edgerton amended the purchasing policy to include the option for early procurement. The policy states three reasons to justify early procurement, lead time for fabrication/delivery, pricing volatility, and to control the contractor markup.

The Greenspace Project includes a backup generator. The City's Architect has identified this item to have all three justifications within the purchasing policy to warrant early procurement including significant lead times for delivery, pricing volatility, as well as requirements for specialized/licensed installation. During the design phase of the project, City Staff learned that there is a potential delay in delivery when the generator is purchased by a contractor, but if the generator is purchased by a government entity, delivery timelines are protected. The specifications of the generator are set by the City's Architect, City Staff, and their subcontractor.

The City plans to utilize cooperative purchasing for the generator.

Related Ordinance(s) or Statue(s):

Funding Source: N/A

Budget Allocated: N/A

Finance Director Approval: N/A

Recommendation: Approve Early Procurement for Generator as Part of Greenspace Project.

Enclosed: N/A

Prepared by: Dan Merkh, Public Works Director

City Council Action Item

Council Meeting Date: March 23, 2023

Department: Administration

Agenda Item: Consider Ordinance No. 2131 Amending Chapter XV, Article 1, Section 15-115 Of The Municipal Code Of The City Of Edgerton, Kansas And Repealing All Other Ordinances Or Parts Of Ordinances In Conflict Therewith

Background/Description of Item:

Staff has been working with the Tyler Technologies to implement the new ERP software, and the City recently went live on the Utility Billing module. One issue that surfaced was the reconnection charge for accounts that are shut off for nonpayment. In the past, staff applied the charge to the account once the service was reconnected. However, in the first shut off process in the new system, that caused a lot of confusion with customers as the charge didn't appear in their account balance on the portal. In addition, when staff did collect the reconnection charge in addition to the amount due, there was a mismatch of the charge and the payment, causing those accounts to appear to have a credit balance when bills were generated.

In a review of the process with the software consultants, staff learned that the software is designed to charge the fee at the time services are shut off for nonpayment, which is how most of the other Tyler customers handle the fee. The fee is immediately applied to the account and appears in the balance in the system and on the portal, making it visible to both staff in the office collecting payments as well as customers who pay via the portal.

Upon review of the code section regarding the reconnection charge, Staff realized that the wording of the section was ambiguous regarding the timing of placing the charge on the customer's account. Staff recommends changing the Code to clarify that the reconnection charge is charged to the customer account at the time that service is shut off for nonpayment.

Enclosed with the packet is draft ordinance which would update Code Section 15-115, the section that governs the reconnection charge. The draft ordinance has not yet been reviewed by City Attorney. Any changes will be provided to City Council at the meeting.

Related Ordinance(s) or Statue(s): Edgerton Municipal Code Section 15-115

Funding Source: N/A

Budget Allocated: N/A

x Karen E. Kindle

Finance Director Approval: Karen Kindle, Finance Director

Recommendation: Approve Ordinance No. 2131 Amending Chapter XV, Article 1, Section 15-115 Of The Municipal Code Of The City Of Edgerton, Kansas And Repealing All Other Ordinances Or Parts Of Ordinances In Conflict Therewith

Enclosed: Draft Ordinance No. 2131

Prepared by: Karen Kindle, Finance Director

ORDINANCE NO. 2131

AN ORDINANCE AMENDING CHAPTER XV, ARTICLE 1, SECTION 15-115 OF THE MUNICIPAL CODE OF THE CITY OF EDGERTON, KANSAS AND REPEALING ALL OTHER ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT THEREWITH

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

SECTION 1. Chapter XV, Article 1, Section 15-115 of the City Code of the City of Edgerton, Kansas, is hereby amended to read as follows:

15-115. RECONNECTION CHARGE. Any utility account for which service has been disconnected for nonpayment of a delinquent bill shall be charged a reconnection charge as referenced in the current Fee resolution. Any reconnection shall be made only upon payment of the delinquent bill, interest charges thereon, and the reconnection charge. Any such reconnection shall be made during regular business hours Monday through Friday. Any reconnection of services made at times other than those stated above shall have an afterhours reconnection charge as referenced in the current Fee Resolution.

SECTION 2. REPEAL OF CONFLICTING ORDINANCES. All ordinances or sections of ordinances in conflict herewith are hereby repealed.

SECTION 3. EFFECTIVE DATE. This ordinance shall take effect and be in force from and after its passage, approval and publication once in the City's official paper.

PASSED by the Council and APPROVED by the Mayor on this 23rd day of March, 2023.

DONALD ROBERTS, Mayor

ATTEST:

Christopher Clinton, Deputy City Clerk

APPROVED AS TO FORM:

LEE W. HENDRICKS, City Attorney