

## City Council Meeting

8. A.

Meeting Date: 08/25/2015  
Submitted By: Kathy Sexton, City Manager  
Agenda Category: New Business

---

### Subject:

### Public Hearing for a STAR Bond Project District

### Guests:

- Rick Worner, Managing Director, National Realty Advisors
- Korb Maxwell, Attorney, Polsinelli, P.C.
- Guy Gsell, Executive Producer, Field Station: Dinosaurs
- Joe L. Norton, Gilmore & Bell, P.C.

### Background:

- On July 16, the City Council heard a proposal for a destination development on north Rock Road to include a dinosaur-themed park and museum as its main attraction.
  - The development also would include commercial businesses including retail shops that would generate sales tax revenue.
  - The project would be financed in part using STAR bonds if so authorized by the Derby City Council and the Kansas Department of Commerce.
  - These STAR bonds would be paid off using sales tax revenue generated by businesses in the STAR bond district.
  - The sales tax rate would not increase. Consumers would pay the same amount of state, county and city sales tax as they would pay in any other part of the city.
- On July 30, the Kansas Department of Commerce approved the district as an "eligible area" as defined by state law. This was the first step in the state's approval process.
- Mr. Rick Worner is the lead agent for the project and will present additional aspects of the proposal at this meeting. He is expected to introduce additional businesses considering location in the proposed destination development. A diagram of the north tract of the proposed district (attached) gives an indication of some of his plans.
  - Mr. Worner, his attorney Mr. Maxwell, Mr. Gsell, and others will be available to respond to questions from the City Council.
  - A feasibility study was just completed and is being provided to the City Council for review. Questions about information in the feasibility study also will be addressed at the City Council meeting.
- On July 16, the City Council scheduled a public hearing for August 25 so the Council can hear from Derby residents and members of the public about the project.

#### Financial/Sustainability Considerations:

- A Funding and Developer of Record Agreement (attached) would obligate Derby Destination Development, LLC to provide \$25,000 to cover the City's costs of exploring the proposed STAR bond project, including publication and other administrative costs, attorney's fees, and an exploratory visit by Derby officials to Field Station: Dinosaurs in Secaucus, New Jersey.
- The visit is scheduled for Friday, September 4 with air travel on September 3 and 5. Participating will be Mayor Randy White, Council Members Mark Staats and Vaughn Nun, and City Manager Kathy Sexton. Estimated costs include \$3,600 for airfare and hotel plus meals. Findings from the visit will be reported at the September 8 meeting of the City Council.
- The agreement also names Derby Destination Development as the exclusive developer of record for the North Tract of the proposed STAR bond district and provides 90 days for submission of a Project Plan to the City.

#### Legal Considerations:

- Once the August 25 public hearing is held, per state law, the City Council has 30 days in which to pass an ordinance establishing the STAR bond project district and approving the district plan. A draft of said ordinance is attached for a first reading. Second reading and a vote are planned for September 8.
- This ordinance is the second in a series of steps required by state law for the City to perform as it considers issuance of STAR bonds.
  - The ordinance itself does not indicate the City Council has approved the destination development rather that the Council is considering approval and is ready to receive more information.
- After approval of the ordinance and receipt of a Project Plan, future steps in the process (with dates that are subject to change) include the following:
  - Consideration by the Derby Planning Commission as to whether the Project Plan is consistent with the City's comprehensive plan - September 17
  - Resolution to set a public hearing on the Project Plan - Sept. 22
  - Public Hearing on the Project Plan - October 27
  - City Council considers an ordinance to approve the Project Plan and a detailed development agreement - November 10
  - Submit the project to the Kansas Department of Commerce for its approval.

#### Recommend a Motion to:

- Approve the Funding and Developer of Record Agreement and schedule consideration of an ordinance establishing a STAR bond project district for the Sept. 8 meeting of the City Council.

Layout of North Tract

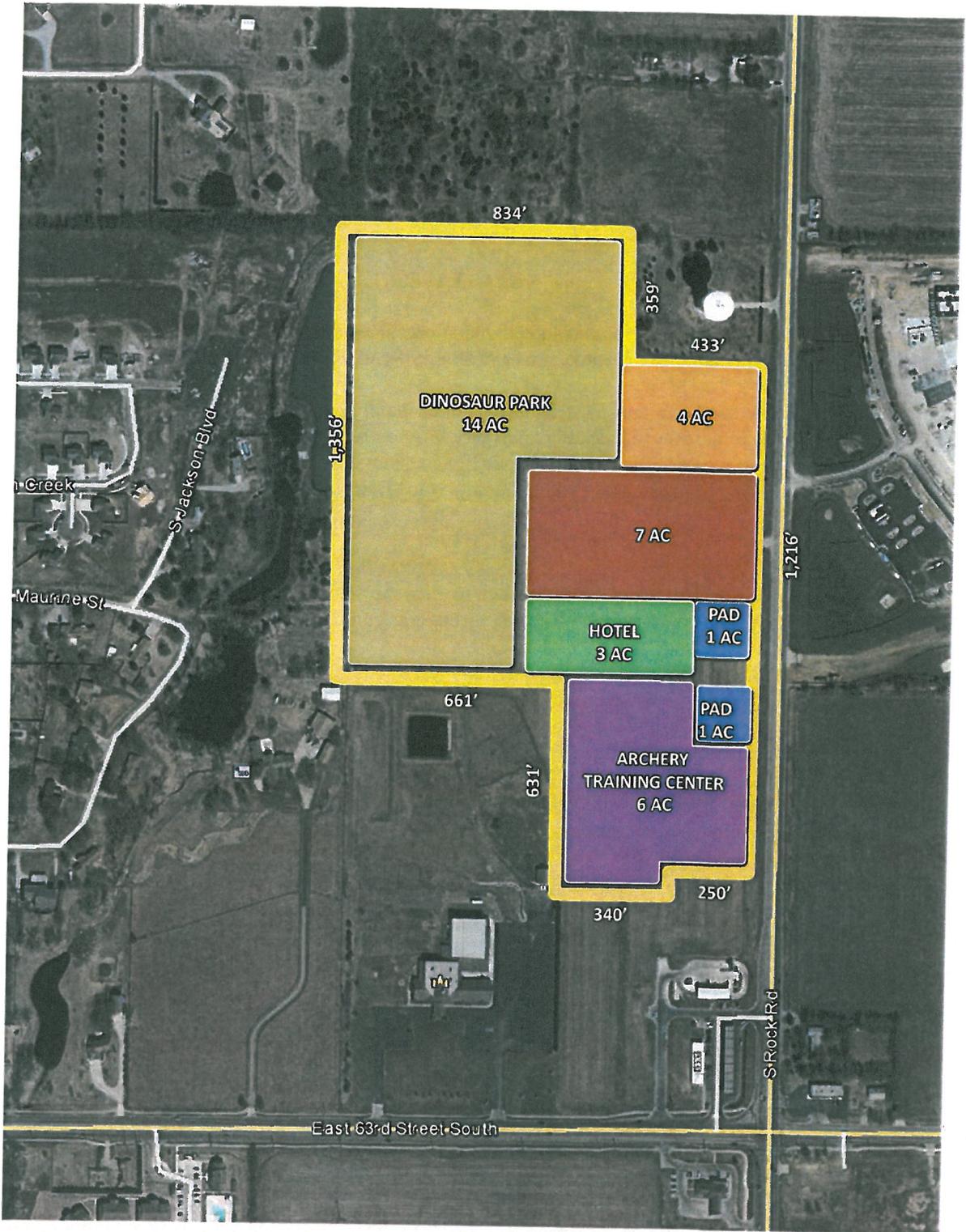
Funding and Developer agreement

STAR District Ordinance

Public Hearing

---





**DERBY DESTINATION DEVELOPMENT**  
 Derby, KS

## FUNDING AND DEVELOPER OF RECORD AGREEMENT

This Funding and Developer of Record Agreement (“Agreement”) is entered into as of August 25, 2015 (the “Dated Date”), between the **CITY OF DERBY, KANSAS** (“City”) and **DERBY DESTINATION DEVELOPMENT, LLC**, a Kansas limited liability company (“Developer,” together with the City, the “Parties”).

### RECITALS

**WHEREAS**, the City is a political subdivision organized and existing under the laws of the State of Kansas, with its principal office located at 611 Mulberry Road, Suite 300, Derby, Kansas 67037; and

**WHEREAS**, the Developer is a Kansas limited liability company engaged in the business of development with its principal office located at 10601 Mission Road, Suite 210, Leawood, Kansas 66206. The Developer requested (the “Request”) that the City consider approval of a STAR bond project district to be known as the Derby STAR Bond Project District (the “District”), and approve a STAR bond project or projects (collectively, the “Project”) within the District, all in accordance with the STAR Bonds Financing Act, K.S.A. 12-17,160 *et seq.* (the “Act”); and

**WHEREAS**, the City may be requested to provide such services and assistance as may be required to implement and administer the Request through its completion; and

**WHEREAS**, the City does not have a source of funds to finance costs incurred for additional legal, financial and planning consultants or for direct out-of-pocket expenses and other reasonable costs resulting from services rendered to the Developer to review, evaluate, process and consider the Request for creation of the District, including specifically a site visit to the potential operator of the proposed theme park, consideration of a Project Plan for the District (the “Project Plan”), preparation of a development agreement relating to the Project Plan and the use of STAR Bond financing to implement the Project Plan (collectively, the “Charges”);

**WHEREAS**, the City acknowledges that the risks and costs of preliminary planning activities and other requirements associated with the preparation of the Request are greater than those associated with ordinary development and desire to provide an inducement to Developer to assume the costs of the Request; and

**WHEREAS**, the Parties desire to enter into this Agreement to provide for the funding of consultants used by the City to evaluate the Request and to provide an inducement to Developer to assume the costs of the Request.

### AGREEMENT

**Section 1. Services.** The City shall perform the following services:

A. Prepare or consult with the Developer on the preparation of and consider the Request in accordance with the provisions of the Act, give all notices in a timely manner, make all legal publications and hold hearings as required by the Act;

B. Provide necessary staff, legal, financial, and planning assistance to prepare and present the Request to the City and to prepare and present required resolutions and ordinances to the City Council, including the use of outside counsel and consultants;

C. If the City Council approves the Request, provide the necessary staff and legal, financial and planning assistance to prepare and negotiate a definitive agreement between the Developer and the City for implementation of the Request; and

D. If a definitive agreement is entered into, provide the necessary staff, legal, financial and planning assistance to administer such agreement.

**Section 2. Deposit.** In order to ensure the prompt and timely payment of the Charges, the Developer shall establish a fund in the amount of Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) (the "Deposit") by paying such amount to the City within fifteen (15) days after the approval of this Agreement by the City Council.

**Section 3. Payment.** The City shall pay Charges from the Deposit and submit to Developer monthly statements itemizing the Charges paid from the Deposit during the preceding month. For Charges for travel expenses, including specifically charges incurred for a site visit to the potential operator of the proposed theme park, the City may only use the Deposit to pay airfare for economy-class tickets, hotel accommodations at a maximum pre-tax nightly rate of \$130.00, a rental car at a pre-tax total rental charge of \$150.00, and per diems at the City's current rate. All Charges shall be paid from the Deposit until such time as and if the Deposit is depleted. Upon depletion, all Charges may be paid by the City with any other City funds or the City may make demand to Developer for an additional Deposit not in excess of the amount set forth in **Section 2** above. Developer shall remit such additional Deposit to the City within thirty (30) days of such demand. If such remittance is not made within such time period, the City may terminate this Agreement in accordance with the following Section. If the City does not terminate this Agreement in accordance with the following Section, the City shall continue consideration of the Request and shall not reject the Request or any portion thereof based solely on the fact that the funds in the Deposit have been depleted.

**Section 4. Term and Termination.**

A. The term of this Agreement shall be 365 days from the Dated Date, unless terminated earlier in accordance with this Section, extended in accordance with **Section 6** hereof or by a written instrument executed by the Parties or superseded by a definitive agreement.

B. In the event the Developer fails to perform any of its obligations herein, the City may terminate this Agreement, and any other agreement between the Parties, at its sole discretion if the Developer fails to cure the default within thirty (30) days after written notice to the Developer of the default. Termination by the City shall also terminate any duties and obligations of the City with respect to this Agreement, including, but not limited to, the City's processing of Developer's Request. Upon such termination, the City shall retain such portion of the Deposit, if any, necessary to reimburse the City for all reasonable expenses incurred under this Agreement to the date of termination and any monies due and owing to the City pursuant to any other agreement. Any amounts remaining from the Deposit after all amounts have either been paid as directed by, or reimbursed to, the City shall be returned to the Developer.

C. The parties hereto acknowledge that the Developer may determine to abandon the Request. Upon notice of abandonment by the Developer, this Agreement shall terminate and the City may terminate any other agreement between the parties and shall retain such portion of

the Deposit, if any, necessary to reimburse the City for all expenses incurred under this Agreement to the date of termination and any monies due and owing to the City pursuant to any other agreement. Any amounts remaining from the Deposit after all amounts have either been paid as directed by, or reimbursed to, the City shall be returned to the Developer.

**Section 5. Reimbursement.** All amounts paid by the City from the Deposit, other than costs described in K.S.A. 12-17,162(r)(20), are expected to be “project costs” which would be eligible to be reimbursed to the Developer from “STAR bond” proceeds or from “sales tax and revenues” as said terms are defined in the Act. Final determination of such reimbursement is subject to approval by the Kansas Secretary of Commerce.

**Section 6. Developer of Record.**

A. Developer warrants it has the property described on the attached *Exhibit A* under contract to purchase. The District will include all property described and depicted on the attached *Exhibit B*.

B. The City designates Developer as the exclusive developer for the property described on the attached *Exhibit A* (the “Exclusive Development Period Property”) for such period or periods of time as set forth below (collectively, the “Exclusive Development Period”).

(i) The Exclusive Development Period shall begin on the Dated Date and extend for a period of ninety (90) days in order to enable Developer to prepare a Project Plan and submit the same for approval by the City.

(ii) In the event that a Project Plan has been prepared and submitted to the City, but the Project Plan has either been disapproved or not acted upon by the City, the Exclusive Development Period shall be extended for an additional ninety (90) days (or a total of one hundred eighty (180) days from the Dated Date).

(iii) Upon approval of a Project Plan by the City, the Exclusive Development Period shall be extended for an additional period of one hundred eighty (180) days from the date of publication of the ordinance adopting the Project Plan.

(iv) The Exclusive Development Period, or any segment thereof, may be extended by the City, in its sole discretion.

C. In consideration of the fact that the Developer is expending resources and paying the Charges related to the Request, the City agrees to the following:

(i) During the Exclusive Development Period, if any owner of property files an application for a building permit or development approval on any portion of the Exclusive Development Period Property, the City shall give notice thereof to Developer within five (5) days of the date of the application and no action shall be taken on any such application until thirty (30) days have elapsed from the date notice of the application is given to Developer.

(ii) During the Exclusive Development Period, the City shall not consider any public financing requests of any type on the Exclusive Development Period Property unless Developer or a related party is the applicant for same.

**Section 7. Notice.** Any notice, approval, request or consent required by or asked to be given under this Agreement shall be deemed to be given if in writing and mailed by United States mail, postage prepaid, or delivered by hand, and addressed as follows:

To the City:

Kathleen B. Sexton, City Manager  
City of Derby, Kansas  
611 Mulberry Road, Suite 300  
Derby, Kansas 67037

With a copy to:

Joe L. Norton  
Gilmore & Bell P.C.  
100 N. Main, Suite 800  
Wichita, Kansas 67202

To the Developer:

Rick Worner  
Derby Destination Development, LLC  
10601 Mission Road, Suite 210  
Leawood, Kansas 66206

With a copy to:

Korb W. Maxwell  
Polsinelli, P.C.  
900 W. 48th Place, Suite 900  
Kansas City, MO 64112

Each party may specify that notice be addressed to any other person or address by giving to the other party ten (10) days prior written notice thereof.

**Section 8. Counterparts.** This Agreement may be executed in multiple originals or counterparts, each of which will be an original and when all of the parties to this Agreement have signed at least one (1) copy, such copies will constitute a fully executed and binding Agreement. Facsimile, portable document format (PDF), or other electronic copies of signed counterparts of this Agreement shall have the same effect as an original signed counterpart.

[The remainder of this page intentionally left blank.]

The Parties hereto have caused this Agreement to be executed by their duly authorized representatives the day and year first above written.

**CITY OF DERBY, KANSAS**

By: \_\_\_\_\_  
Name: Kathleen B. Sexton  
Title: City Manager

**DERBY DESTINATION DEVELOPMENT, LLC**

By: \_\_\_\_\_  
Name: Rick Worner  
Title: Manager

***EXHIBIT A***

**Legal Description of Property  
under Contract to Purchase by Developer**

Lots 6, 7, 8 and 9, Block A, and Reserve A, Anderson Farm Commercial Addition, Derby, Sedgwick County, Kansas.

## **EXHIBIT B**

### **Description and Depiction of Property to be included in STAR Bond District**

#### **DESCRIPTION**

##### **NORTH TRACT:**

A tract of land located in the Southeast Quarter of Section 30, Township 28 South, Range 2 East of the 6<sup>th</sup> Principal Meridian, said tract being a part of Anderson Farm Commercial 3<sup>rd</sup> Addition, part of Anderson Farm Commercial 2<sup>nd</sup> Addition, part of Calvary Baptist Church Second Addition and Water Tower Addition, all in the City of Derby, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the northeast corner of said Southeast Quarter of Section 30; thence South 89°42'16" West, coincident with the north line of said Southeast Quarter, 70.00 feet to the northeast corner of Lot 1, Block A in said Water Tower Addition, said point being the Point of Beginning; thence South 0°00'00" East, coincident with the east line of said Lot 1, Block A, Water Tower Addition and the west line of Rock Road, 400.01 feet to the southeast corner of said Lot 1, Block A, Water Tower Addition and the northeast corner of Lot 2, Block A in said Anderson Farm Commercial 3<sup>rd</sup> Addition; thence continue southerly, coincident with the west line of Rock Road and the east line of Lots 2 thru 7, Block A in said Anderson Farm Commercial 3<sup>rd</sup> Addition and the east line of Lots 2 and 3, Block A in said Anderson Farm Commercial 2<sup>nd</sup> Addition along the following courses: South 0°00'00" East, 1,911.71 feet; thence South 11°18'36" West, 101.98 feet; thence South 0°00'00" East, 175.00 feet to the southeast corner of said Lot 2, Block A, Anderson Farm Commercial 2<sup>nd</sup> Addition; thence westerly, coincident with the north line of Patriot Avenue (63<sup>rd</sup> Street South) and the south line of Lot 2, Anderson Farm Commercial 2<sup>nd</sup> Addition and Lots 8 and 9 Anderson Farm Commercial 3<sup>rd</sup> Addition, Block A along the following courses: South 89°21'37" West, 175.00 feet; thence South 80°49'47" West, 101.12 feet; thence South 89°21'37" West, 295.38 feet to the southwest corner of said Lot 9 and the southeast corner of Lot 1 in said Calvary Baptist Church Second Addition; thence North 0°02'12" West, coincident with the west line of said Lot 8 and Lot 9 and Lot 6 in Anderson Farm Commercial 3<sup>rd</sup> Addition and the east line of said Lot 1 in Calvary Baptist Church Second Addition, 800.00 feet; thence South 89°21'37" West, 660.91 feet to the west line of last said Lot 1; thence North 0°05'12" West, coincident with the west line of last said Lot 1, a distance of 474.97 feet to the northwest corner of last said Lot 1 and the southwest corner of Reserve A in said Anderson Farm Commercial 3<sup>rd</sup> Addition; thence North 0°07'21" West, coincident with the west line of said Reserve A and the east line of Stone Creek 4<sup>th</sup> Addition, 1,334.40 feet to the northwest corner of said Reserve A and the northeast corner of said Stone Creek 4<sup>th</sup> Addition; thence North 89°42'16" East, coincident with the north line of said Anderson Farm Commercial 3<sup>rd</sup> Addition, 855.13 feet to the northern most northeast corner of said Anderson Farm Commercial 3<sup>rd</sup> Addition and the northwest corner of said Lot 1, Block A, Water Tower Addition; thence continue North 89°42'16" East, coincident with the north line of said Water Tower Addition, 400.01 feet to the and the Point of Beginning, containing 63 acres, more or less.

##### **SOUTH TRACT:**

A tract of land located in the Northeast Quarter and Southeast Quarter of Section 31 and the Northwest Quarter and Southwest Quarter of Section 32, all in Township 28 South, Range 2 East of the 6<sup>th</sup> Principal Meridian, said tract also being a part of The Oaks, The Oaks 2<sup>nd</sup>, The Oaks Commercial, Mac's Corner

Commercial, Mac's Corner Commercial 2<sup>nd</sup>, Derby Marketplace Second, and Derby Marketplace Third, all additions to the City of Derby, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the northeast corner of said Section 31; thence North 89°59'45" West, coincident with the north line of said Northeast Quarter of Section 31, 90.00 feet; thence South 00°29'09" West, 75.00 feet to the northeast corner of Lot 5, Block A in said The Oaks, said point being the Point of Beginning; thence southerly, coincident with the west line of Rock Road and the east line of Lots 1, 4 and 5, Block A, Reserve A and Lots 1 thru 4, Block C in said The Oaks and the east line of Lot 1, Block A in said The Oaks Commercial, on the following courses: South 00°29'09" West, 175.00 feet; thence South 08°02'42" East, 101.12 feet; thence South 00°29'09" West, 1,942.35 feet; thence South 09°01'00" West, 101.12 feet; thence South 00°29'09" West, 175.00 feet to the southeast corner of said Lot 4, Block C; thence South 89°30'51" East, 150.00 feet to a point on the east line of Rock Road; thence Southerly, coincident with the east line of said Rock Road and the west line of Lot 1, Phillips Rock Road Addition, South 00°29'09" West, 11.91 feet to the southwest corner of said Lot 1, Phillips Rock Road Addition and the northwest corner of said Derby Marketplace Second Addition; thence on Derby Marketplace Second Addition bearings, North 88°46'34" East, coincident with the north line of last said Addition, 1,034.67 feet to the northeast corner of said Derby Marketplace Second Addition; thence coincident with the east line of said Derby Marketplace Second Addition and the west line of said Tall Tree Addition on the following courses: South 01°13'26" East, 80.00 feet; thence on a non tangent curve to the right, said curve having a radius of 210 feet, a chord bearing of South 78°38'18" East, a chord length of 91.52 feet, for a length of 92.26 feet; thence South 00°27'08" East coincident with the east line of said Derby Marketplace Second Addition and the west line of Tall Tree Addition, 1,311.26 feet to the southeast corner of said Derby Marketplace Second Addition; thence South 00°26'41" East, coincident with the east line of said Derby Marketplace Third Addition and the west line of Amber Ridge Addition and Amber Ridge 2<sup>nd</sup> Addition, 1,270.25 feet to the southeast corner of said Derby Marketplace Third Addition; thence westerly, coincident with the north line of Meadowlark Road and the south line of said Derby Marketplace Third Addition, on the following courses: South 88°42'12" West, 834.73 feet; thence North 82°45'58" West, 101.12 feet; thence South 88°42'12" West, 175.00 feet to the southwest corner of said Derby Marketplace Third Addition; thence on Mac's Corner Commercial Addition bearings, South 89°46'57" West, 150.10 feet to the southeast corner of said Mac's Corner Commercial Addition; thence coincident with the south line of said Mac's Corner Commercial Addition and Mac's Corner Commercial 2<sup>nd</sup> Addition and the north line of Meadowlark Avenue (71<sup>st</sup> Street South) on the following courses: South 90°00'00" West, 175.00 feet; thence South 75°57'50" West, 72.10 feet; thence North 00°25'41" East, 7.01 feet; thence South 81°28'09" West, 30.46 feet; thence South 90°00'00" West, 314.48 feet to the southwest corner of said Mac's Corner Commercial 2<sup>nd</sup> Addition and the southeast corner of Lot 1, Block F, in said The Oaks; thence on The Oaks bearings, North 00°47'46" East, coincident with the east line of said Lot 1, Block F and the east line of Reserve K of said The Oaks 2<sup>nd</sup>, 605.75 feet to the southwest corner of Reserve A, The Oaks Commercial 3<sup>rd</sup> Addition; thence on The Oaks Commercial 3<sup>rd</sup> Addition bearings, coincident with said east line of Reserve K, North 00°47'18" East, 665.29 feet; thence continuing coincident with the east line of said Reserve K, North 00°47'56" East, 665.55 feet to the southwest corner of Reserve M in said The Oaks 2<sup>nd</sup>; thence continuing coincident with said east line of Reserve K, the west line of said Reserve M and the east line of Lots 5 thru 10, Block 1 in said The Oaks 2<sup>nd</sup>, North 00°47'56" East, 665.55 feet to the south line of Lot 4, Block 1 in said The Oaks 2<sup>nd</sup>; thence South 89°41'59" East, coincident with the south line of last said Lot 4, a distance of 28.93 feet to the southeast corner of last said Lot 4; thence North 00°29'09" East, coincident with the east line of last said Lot 4, a distance of 113.96 feet to a point on the southerly line of Tall Tree Road; thence northwesterly, coincident with last said southerly line on a curve to the right having a radius of 800 feet, a chord bearing of North 53°15'29" West, and a chord length of 152.98 feet, for a length of 153.21 feet; thence North 42°13'47" East, 80.00 feet to a point on the northerly line of Tall Tree Road; thence northwesterly, coincident with last said northerly line, on a curve to the left having a radius of 755 feet, a chord bearing of North 62°16'23" West, and a chord length of

JLN600183.70267\FUNDING AND DEVELOPER OF RECORD AGMT (08-18-15)

378.14 feet, for a length of 382.21 feet to the southwest corner of Lot 6, Block B in said The Oaks and the southeast corner of Reserve GC-B in said The Oaks 2<sup>nd</sup>; thence North 00°29'09" East, coincident with the west line of last said Lot 6 and the east line of said Reserve GC-B, 354.67 feet to the southwest corner of Lot 5, Block B in said The Oaks; thence South 89°30'51" East, coincident with the south line of last said Lot 5, a distance of 408.42 feet to a point on the west line of Newberry Street; thence northerly, coincident with the west line of said Newberry Street and the east line of last said Lot 5 on the following courses: on a curve to the left with a radius of 305 feet, a chord bearing of North 14°33'35" West, and a chord length of 172.73 feet, for a length of 175.13 feet; thence on a curve to the right with a radius of 370 feet and a length of 193.10 feet; thence North 01°06'28" West, 544.93 feet; thence on a curve to the left with a radius of 281.65 feet and a length of 33.91 feet; thence departing last said line, North 44°59'45" west, coincident with the north line of last said Lot 5 and the south line of Lot 4, Block B in said The Oaks, 66.98 feet; thence North 89°59'45" West, coincident with last said north line of Lot 5 and south line of Lot 4, the south line of Lot 3, Block B in said The Oaks and the north line of Lot 1, Block C in said The Oaks 2<sup>nd</sup>, 806.54 feet to the southwest corner of last said lot 3; thence North 00°00'15" East, coincident with the west line of Lots 1 thru 3, Block B in said The Oaks and the east line of said Lot 1, Block C, 815.85 feet to the northwest corner of said Lot 1, Block B and the northeast corner of Lot 1, Block C; thence easterly, coincident with the south line of 63<sup>rd</sup> Street South and the north line of said Lot 1, Block B and Lots 3, 4 and 5, Block A in said The Oaks, on the following courses: South 81°27'54" East, 19.21 feet; thence South 89°59'45" East, 434.00 feet; thence North 81°28'25" East, 101.12 feet; thence South 89°59'45" East, 693.37 feet; thence South 81°27'54" East, 101.12 feet; thence South 89°59'45" East, 175 feet to the Point of Beginning, containing 170 acres, more or less.

**ROW TRACT:**

That portion of East Patriot Avenue/East 63<sup>rd</sup> Street South situated between the North Tract and the South Tract from the west edge of the South Tract to the east edge of the South and North Tracts, and that portion of South Rock Road situated on the entire east side of the North Tract and then extending south to the intersection of South Rock Road and E. Tall Tree Road.

## DEPICTION North Tract



The boundaries of the North Tract are outlined in red.  
The boundaries of the ROW Tract are outlined in black.

JLN/600183.70267/FUNDING AND DEVELOPER OF RECORD AGMT (08-18-15)

# South Tract



**Sedgewick County**  
**GIS**  
 Geographic Information Services  
 Division of Information & Operations  
[www.sedgewickcounty.org/gis](http://www.sedgewickcounty.org/gis)  
 525 N. Main, Suite 212, Wichita, KS 67203  
 Tel. 316.660.9290 Fax: 316.262.1174  
 Tue Apr 28 09:02:29 GMT-0500 2015

DISCLAIMER: It is understood that while Sedgewick County's Geographic Information Services (GIS), City of Wichita GIS (for purposes of the road centerline file, participating agencies, and information suppliers) have no indication or reason to believe that there are inaccuracies in information provided, SCGIS as suppliers make no representations of any kind, including but not limited to warranties of merchantability or fitness for a particular use, nor are any such warranties to be imposed with respect to the information data or service furnished herein. In no event shall the Data Providers become liable to users of these data or any other party, for the use or damages, consequences or otherwise, including but not limited to time, money, or goodwill, arising from the use, operation or modification of the data. In using these data, users further agree to indemnify, defend, and hold harmless the Data Provider for any and all liability of any nature arising out of or resulting from the lack of accuracy or correctness of the data or the use of the data. No person shall sell, give or receive for the purpose of selling or offering for sale, any portion of the information provided herein.

The boundaries of the South Tract are outlined in red.  
 The boundaries of a portion of the ROW Tract are outlined in black.

JLN\600183.70267\FUNDING AND DEVELOPER OF RECORD AGMT (08-18-15)

**EXCERPT OF MINUTES OF A MEETING  
OF THE CITY COUNCIL OF  
THE CITY OF DERBY, KANSAS  
HELD ON SEPTEMBER 8, 2015**

The City Council met in regular session at the usual meeting place in the City, at 6:30 p.m., Mayor RANDY WHITE and the following Councilmembers being present and participating, to-wit:

Absent:

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

\*\*\*\*\*

(Other Proceedings)

Thereupon, there was presented to the governing body an Ordinance entitled:

**AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF DERBY,  
KANSAS, ESTABLISHING A STAR BOND PROJECT DISTRICT PURSUANT  
TO K.S.A. 12-17,160 *ET SEQ.* AND MAKING CERTAIN FINDINGS IN  
CONJUNCTION THEREWITH (DERBY STAR BOND PROJECT DISTRICT).**

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

Yea:

Nay:

Thereupon, the Mayor declared said Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. \_\_\_\_\_, was signed and approved by the Mayor and attested by the City Clerk and the Ordinance or a summary thereof was directed to be published one time in the official newspaper of the City.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**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 Derby, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

---

City Clerk

(Published in *The Derby Weekly Informer* on September 16, 2015)

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF DERBY, KANSAS, ESTABLISHING A STAR BOND PROJECT DISTRICT PURSUANT TO K.S.A. 12-17,160 ET SEQ. AND MAKING CERTAIN FINDINGS IN CONJUNCTION THEREWITH (DERBY STAR BOND PROJECT DISTRICT).**

---

**WHEREAS**, pursuant to K.S.A. 12-17,160 et seq. (the “Act”), the City Council (the “Governing Body”) of the City of Derby, Kansas (the “City”) is authorized to create a STAR bond project district within an eligible area of the City for certain purposes set forth in the Act; and

**WHEREAS**, the Governing Body has heretofore adopted Resolution No. 19-2015 (the “Resolution”) which provided that: (a) the City is considering establishment of a STAR bond project district to be known as the “Derby STAR Bond Project District” to promote, stimulate and develop the general and economic welfare of the state of Kansas and the City as a major commercial entertainment and tourism area; (b) described the proposed boundaries of the Derby STAR Bond Project District; (c) described the Derby STAR Bond Project plan; (d) stated that a description and map of the proposed Derby STAR Bond Project District is available for inspection at Derby City Hall during regular business hours; (e) called a public hearing on the establishment of the Derby STAR Bond Project District to be held on August 25, 2015 at 6:30 p.m. or as soon thereafter as possible, in the Council Room, Derby City Hall; and (f) stated that the Governing Body will consider findings necessary for establishment of the Derby STAR Bond Project District; and

**WHEREAS**, The proposed Derby STAR Bond Project District consists of approximately 233 acres generally located along Rock Road from north of Patriot Avenue to Meadowlark Road and comprised of (a) a certain parcel situated north of Patriot Avenue and west of Rock Road (the “North Tract”), (b) a certain parcel situated on the west side of Rock Road south of Patriot Avenue to Tall Tree and on either side of Rock Road south of Tall Tree to Meadowlark Road (the “South Tract”); and (c) that portion of Patriot Avenue situated between the North Tract and the South Tract (the “ROW Tract”), all within the City of Derby, Kansas (the “City”); and

**WHEREAS**, notice of the public hearing was provided in accordance with the provisions of the Act, by: (a) providing a copy of the Resolution via certified mail, return receipt requested, to the Board of County Commissioners of Sedgwick County, Kansas and the Board of Education of USD 260, Sedgwick County, Kansas (Derby); (b) providing a copy of the Resolution via certified mail, return receipt requested, to each owner and occupant of land within the proposed Derby STAR Bond Project District not more than 10 days following the date of adoption of the Resolution; and (c) publishing a copy of the Resolution once in the official City newspaper not less than one week nor more than two weeks preceding the date fixed for the public hearing; and

**WHEREAS**, pursuant to such notice the public hearing was conducted by the Governing Body on August 25, 2015; and

**WHEREAS**, the City has received from the Secretary of Commerce of the State of Kansas (the "Secretary") a determination that the proposed Derby STAR Bond Project District is an "eligible area" as said term is defined in the Act; and

**WHEREAS**, the Governing Body desires to establish the Derby STAR Bond Project District in accordance with the provisions of the Act.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF DERBY, KANSAS, AS FOLLOWS:**

**Section 1. Findings.** The Governing Body hereby finds that notice of the public hearing conducted August 25, 2015 was made in accordance with the provisions of the Act. The Governing Body hereby further finds and determines that the proposed Derby STAR Bond Project District described in the Resolution constitutes a "major commercial entertainment and tourism area," an "eligible area" and therefore a "STAR bond project" as said terms are defined in the Act.

**Section 2. Creation of STAR Bond Project District.** A STAR bond project district is hereby created within the City in accordance with the provisions of the Act, which shall consist of the real estate legally described on *Exhibit A* attached hereto, which is incorporated herein by reference, and shall be known as the "Derby STAR Bond Project District." A map depicting the boundaries of the Derby STAR Bond Project District is attached hereto as *Exhibit B*, which is incorporated herein by reference. The boundaries of the Derby STAR Bond Project District do not contain any property not referenced in the Resolution, which provided notice of the public hearing on the creation of the Derby STAR Bond Project District.

**Section 3. District Plan.** Within the Derby STAR Bond Project District, it is anticipated that a unique mixed-use and entertainment project (the "Project") will be developed by Derby Destination Development, LLC, a Kansas limited liability company ("Developer,") that will feature distinct tourism, entertainment, and retail opportunities not already available in the City. The following preliminary plan for the proposed Derby STAR Bond Project District (the "District Plan"), as presented to the Governing Body this date is hereby approved:

The District Plan includes buildings and facilities to be constructed or improved in the Derby STAR Bond Project District that will generally include a mixed-use development consisting of some or all of the following uses: theme park and entertainment center, retail uses, restaurant uses, and other general commercial development; hotel uses; residential uses; and associated public and private infrastructure. The District may consist of multiple STAR bond project areas as delineated in one or more STAR bond project plans to be approved for property within the District.

The Developer proposes to create a major commercial entertainment and tourism area that will be developed in two Project areas; one Project area being located on the North Tract (the "North Project Area"), and one Project area being located on the South Tract (the "South Project Area"). On the North Project Area, the Developer proposes to create a theme park (the "Theme Park") as well as family recreational tourism activities. The primary components of the Theme Park are planned to include the following: an outdoor exhibition and park, indoor museum, outdoor amphitheater, indoor theater, ropes course under the dome, themed miniature golf, public fitness trail course, and fossil dig site. Other proposed amenities are a facility for archery and firearm training and competitions, a hotel to service the District's out-of-area tourists, and a sit-down

restaurant. The North Project Area may also contain a health care facility with emergent care, long-term care, or both, capabilities and a medical office building. Within the South Project Area, the Developer envisions the construction of large and small scale retail.

**Section 4. Further Action.** The Mayor, City Manager and other officials and employees of the City, including Gilmore & Bell, P.C., Bond Counsel, are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Ordinance.

**Section 6. Effective Date.** This Ordinance shall be effective upon its passage by the Governing Body, approval by the Mayor, and publication one time in the official City newspaper.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**PASSED** by the City Council of the City of Derby, Kansas on September 8, 2015 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

---

Mayor

ATTEST:

---

City Clerk

**CERTIFICATE**

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on September 8, 2015; that the record of the final vote on its passage is found on page \_\_\_\_ of journal \_\_\_\_; and that the Ordinance or a summary thereof was published in *The Derby Weekly Informer* on September 16, 2015.

DATED: September 16, 2015.

---

City Clerk

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**EXHIBIT A**

***LEGAL DESCRIPTION OF DERBY STAR BOND PROJECT DISTRICT***

**NORTH TRACT:**

A tract of land located in the Southeast Quarter of Section 30, Township 28 South, Range 2 East of the 6<sup>th</sup> Principal Meridian, said tract being a part of Anderson Farm Commercial 3<sup>rd</sup> Addition, part of Anderson Farm Commercial 2<sup>nd</sup> Addition, part of Calvary Baptist Church Second Addition and Water Tower Addition, all in the City of Derby, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the northeast corner of said Southeast Quarter of Section 30; thence South 89°42'16" West, coincident with the north line of said Southeast Quarter, 70.00 feet to the northeast corner of Lot 1, Block A in said Water Tower Addition, said point being the Point of Beginning; thence South 0°00'00" East, coincident with the east line of said Lot 1, Block A, Water Tower Addition and the west line of Rock Road, 400.01 feet to the southeast corner of said Lot 1, Block A, Water Tower Addition and the northeast corner of Lot 2, Block A in said Anderson Farm Commercial 3<sup>rd</sup> Addition; thence continue southerly, coincident with the west line of Rock Road and the east line of Lots 2 thru 7, Block A in said Anderson Farm Commercial 3<sup>rd</sup> Addition and the east line of Lots 2 and 3, Block A in said Anderson Farm Commercial 2<sup>nd</sup> Addition along the following courses: South 0°00'00" East, 1,911.71 feet; thence South 11°18'36" West, 101.98 feet; thence South 0°00'00" East, 175.00 feet to the southeast corner of said Lot 2, Block A, Anderson Farm Commercial 2<sup>nd</sup> Addition; thence westerly, coincident with the north line of Patriot Avenue (63<sup>rd</sup> Street South) and the south line of Lot 2, Anderson Farm Commercial 2<sup>nd</sup> Addition and Lots 8 and 9 Anderson Farm Commercial 3<sup>rd</sup> Addition, Block A along the following courses: South 89°21'37" West, 175.00 feet; thence South 80°49'47" West, 101.12 feet; thence South 89°21'37" West, 295.38 feet to the southwest corner of said Lot 9 and the southeast corner of Lot 1 in said Calvary Baptist Church Second Addition; thence North 0°02'12" West, coincident with the west line of said Lot 8 and Lot 9 and Lot 6 in Anderson Farm Commercial 3<sup>rd</sup> Addition and the east line of said Lot 1 in Calvary Baptist Church Second Addition, 800.00 feet; thence South 89°21'37" West, 660.91 feet to the west line of last said Lot 1; thence North 0°05'12" West, coincident with the west line of last said Lot 1, a distance of 474.97 feet to the northwest corner of last said Lot 1 and the southwest corner of Reserve A in said Anderson Farm Commercial 3<sup>rd</sup> Addition; thence North 0°07'21" West, coincident with the west line of said Reserve A and the east line of Stone Creek 4<sup>th</sup> Addition, 1,334.40 feet to the northwest corner of said Reserve A and the northeast corner of said Stone Creek 4<sup>th</sup> Addition; thence North 89°42'16" East, coincident with the north line of said Anderson Farm Commercial 3<sup>rd</sup> Addition, 855.13 feet to the northern most northeast corner of said Anderson Farm Commercial 3<sup>rd</sup> Addition and the northwest corner of said Lot 1, Block A, Water Tower Addition; thence continue North 89°42'16" East, coincident with the north line of said Water Tower Addition, 400.01 feet to the and the Point of Beginning, containing 63 acres, more or less.

**SOUTH TRACT:**

A tract of land located in the Northeast Quarter and Southeast Quarter of Section 31 and the Northwest Quarter and Southwest Quarter of Section 32, all in Township 28 South, Range 2 East of the 6<sup>th</sup> Principal Meridian, said tract also being a part of The Oaks, The Oaks 2<sup>nd</sup>, The Oaks Commercial, Mac's Corner Commercial, Mac's Corner Commercial 2<sup>nd</sup>, Derby Marketplace Second, and Derby Marketplace Third, all additions to the City of Derby, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the northeast corner of said Section 31; thence North 89°59'45" West, coincident with the north line of said Northeast Quarter of Section 31, 90.00 feet; thence South 00°29'09" West, 75.00 feet to

the northeast corner of Lot 5, Block A in said The Oaks, said point being the Point of Beginning; thence southerly, coincident with the west line of Rock Road and the east line of Lots 1, 4 and 5, Block A, Reserve A and Lots 1 thru 4, Block C in said The Oaks and the east line of Lot 1, Block A in said The Oaks Commercial, on the following courses: South 00°29'09" West, 175.00 feet; thence South 08°02'42" East, 101.12 feet; thence South 00°29'09" West, 1,942.35 feet; thence South 09°01'00" West, 101.12 feet; thence South 00°29'09" West, 175.00 feet to the southeast corner of said Lot 4, Block C; thence South 89°30'51" East, 150.00 feet to a point on the east line of Rock Road; thence Southerly, coincident with the east line of said Rock Road and the west line of Lot 1, Phillips Rock Road Addition, South 00°29'09" West, 11.91 feet to the southwest corner of said Lot 1, Phillips Rock Road Addition and the northwest corner of said Derby Marketplace Second Addition; thence on Derby Marketplace Second Addition bearings, North 88°46'34" East, coincident with the north line of last said Addition, 1,034.67 feet to the northeast corner of said Derby Marketplace Second Addition; thence coincident with the east line of said Derby Marketplace Second Addition and the west line of said Tall Tree Addition on the following courses: South 01°13'26" East, 80.00 feet; thence on a non tangent curve to the right, said curve having a radius of 210 feet, a chord bearing of South 78°38'18" East, a chord length of 91.52 feet, for a length of 92.26 feet; thence South 00°27'08" East coincident with the east line of said Derby Marketplace Second Addition and the west line of Tall Tree Addition, 1,311.26 feet to the southeast corner of said Derby Marketplace Second Addition; thence South 00°26'41" East, coincident with the east line of said Derby Marketplace Third Addition and the west line of Amber Ridge Addition and Amber Ridge 2<sup>nd</sup> Addition, 1,270.25 feet to the southeast corner of said Derby Marketplace Third Addition; thence westerly, coincident with the north line of Meadowlark Road and the south line of said Derby Marketplace Third Addition, on the following courses: South 88°42'12" West, 834.73 feet; thence North 82°45'58" West, 101.12 feet; thence South 88°42'12" West, 175.00 feet to the southwest corner of said Derby Marketplace Third Addition; thence on Mac's Corner Commercial Addition bearings, South 89°46'57" West, 150.10 feet to the southeast corner of said Mac's Corner Commercial Addition; thence coincident with the south line of said Mac's Corner Commercial Addition and Mac's Corner Commercial 2<sup>nd</sup> Addition and the north line of Meadowlark Avenue (71<sup>st</sup> Street South) on the following courses: South 90°00'00" West, 175.00 feet; thence South 75°57'50" West, 72.10 feet; thence North 00°25'41" East, 7.01 feet; thence South 81°28'09" West, 30.46 feet; thence South 90°00'00" West, 314.48 feet to the southwest corner of said Mac's Corner Commercial 2<sup>nd</sup> Addition and the southeast corner of Lot 1, Block F, in said The Oaks; thence on The Oaks bearings, North 00°47'46" East, coincident with the east line of said Lot 1, Block F and the east line of Reserve K of said The Oaks 2<sup>nd</sup>, 605.75 feet to the southwest corner of Reserve A, The Oaks Commercial 3<sup>rd</sup> Addition; thence on The Oaks Commercial 3<sup>rd</sup> Addition bearings, coincident with said east line of Reserve K, North 00°47'18" East, 665.29 feet; thence continuing coincident with the east line of said Reserve K, North 00°47'56" East, 665.55 feet to the southwest corner of Reserve M in said The Oaks 2<sup>nd</sup>; thence continuing coincident with said east line of Reserve K, the west line of said Reserve M and the east line of Lots 5 thru 10, Block 1 in said The Oaks 2<sup>nd</sup>, North 00°47'56" East, 665.55 feet to the south line of Lot 4, Block 1 in said The Oaks 2<sup>nd</sup>; thence South 89°41'59" East, coincident with the south line of last said Lot 4, a distance of 28.93 feet to the southeast corner of last said Lot 4; thence North 00°29'09" East, coincident with the east line of last said Lot 4, a distance of 113.96 feet to a point on the southerly line of Tall Tree Road; thence northwesterly, coincident with last said southerly line on a curve to the right having a radius of 800 feet, a chord bearing of North 53°15'29" West, and a chord length of 152.98 feet, for a length of 153.21 feet; thence North 42°13'47" East, 80.00 feet to a point on the northerly line of Tall Tree Road; thence northwesterly, coincident with last said northerly line, on a curve to the left having a radius of 755 feet, a chord bearing of North 62°16'23" West, and a chord length of 378.14 feet, for a length of 382.21 feet to the southwest corner of Lot 6, Block B in said The Oaks and the southeast corner of Reserve GC-B in said The Oaks 2<sup>nd</sup>; thence North 00°29'09" East, coincident with the west line of last said Lot 6 and the east line of said Reserve GC-B, 354.67 feet to the southwest corner of Lot 5, Block B in said The Oaks; thence South 89°30'51" East, coincident with the south line of last said Lot 5, a distance of 408.42 feet to a point on the west line of Newberry Street; thence northerly, coincident with the west line of said Newberry Street and the east line of last said Lot 5 on the following

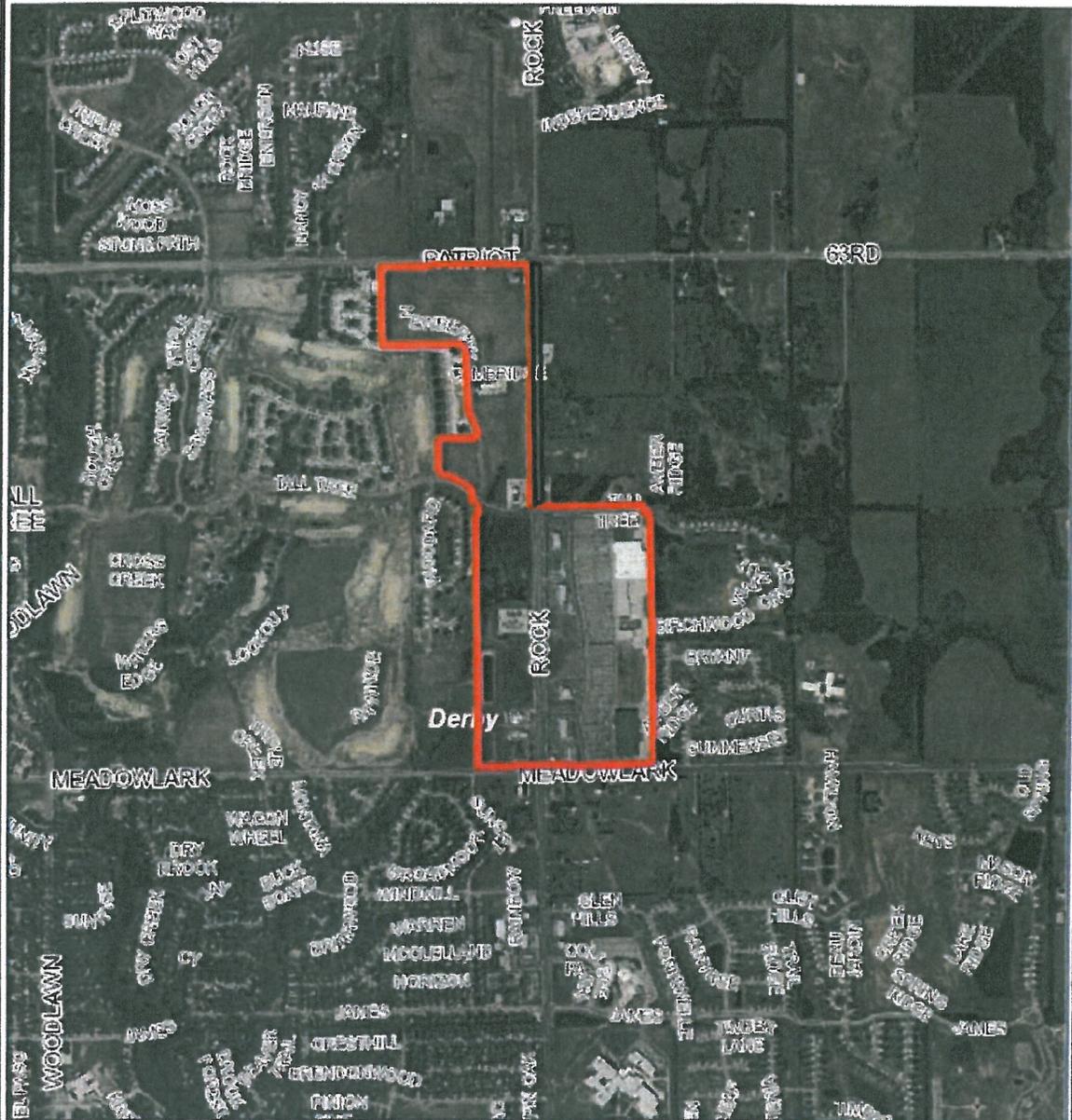
courses: on a curve to the left with a radius of 305 feet, a chord bearing of North 14°33'35" West, and a chord length of 172.73 feet, for a length of 175.13 feet; thence on a curve to the right with a radius of 370 feet and a length of 193.10 feet; thence North 01°06'28" West, 544.93 feet; thence on a curve to the left with a radius of 281.65 feet and a length of 33.91 feet; thence departing last said line, North 44°59'45" west, coincident with the north line of last said Lot 5 and the south line of Lot 4, Block B in said The Oaks, 66.98 feet; thence North 89°59'45" West, coincident with last said north line of Lot 5 and south line of Lot 4, the south line of Lot 3, Block B in said The Oaks and the north line of Lot 1, Block C in said The Oaks 2<sup>nd</sup>, 806.54 feet to the southwest corner of last said lot 3; thence North 00°00'15" East, coincident with the west line of Lots 1 thru 3, Block B in said The Oaks and the east line of said Lot 1, Block C, 815.85 feet to the northwest corner of said Lot 1, Block B and the northeast corner of Lot 1, Block C; thence easterly, coincident with the south line of 63<sup>rd</sup> Street South and the north line of said Lot 1, Block B and Lots 3, 4 and 5, Block A in said The Oaks, on the following courses: South 81°27'54" East, 19.21 feet; thence South 89°59'45" East, 434.00 feet; thence North 81°28'25" East, 101.12 feet; thence South 89°59'45" East, 693.37 feet; thence South 81°27'54" East, 101.12 feet; thence South 89°59'45" East, 175 feet to the Point of Beginning, containing 170 acres, more or less.

**ROW TRACT:**

That portion of East Patriot Avenue/East 63rd Street South situated between the North Tract and the South Tract from the west edge of the South Tract to the east edge of the South and North Tracts, and that portion of South Rock Road situated on the entire east side of the North Tract and then extending south to the intersection of South Rock Road and E. Tall Tree Road.



# South Tract



**Sedgwick County**  
**GIS**

**Geographic Information Services**  
 Division of Information & Operations  
[www.sedgwickcounty.org/gis](http://www.sedgwickcounty.org/gis)  
 525 N. Main, Suite 212, Wichita, KS 67203  
 Tel: 316.660.9290 Fax: 316.262.1174  
 Tue Apr 28 09:02:29 GMT-0500 2015

DISCLAIMER: It is understood that while Sedgwick County Geographic Information Services (GIS) City of Wichita GIS, for purposes of the road centerline file, participating agencies and information suppliers, have no indication or reason to believe that there are inaccuracies in information provided, SCGIS, its suppliers make no representations of any kind, including, but not limited to, warranties of merchantability or fitness for a particular use, nor are any such warranties to be implied with respect to the information, data or service furnished herein. In no event shall the Data Providers assume liability to users of these data or any other party, for any loss or damage, consequential or otherwise, including but not limited to time, money, or goodwill, arising from the use, operation or modification of the data. In using these data, users further agree to indemnify, defend, and hold harmless the Data Provider for any and all liability of any nature arising out of or resulting from the lack of accuracy or correctness of the data or the use of the data, the person that sell, give or receive for the purpose of using or offering for sale, any portion of the information provided herein.

The boundaries of the South Tract are outlined in red.  
 The boundaries of a portion of the ROW Tract are outlined in black.

**EXCERPT OF MINUTES OF A MEETING  
OF THE CITY COUNCIL OF  
THE CITY OF DERBY, KANSAS  
HELD ON AUGUST 25, 2015**

The City Council met in regular session at the usual meeting place in the City, at 6:30 p.m., Mayor RANDY WHITE and the following Councilmembers being present and participating, to-wit:

Absent:

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

\* \* \* \* \*

(Other Proceedings)

Thereupon, Kathy Sexton, City Manager, outlined certain information regarding the creation of a STAR Bond Project District in the City in accordance with K.S.A. 12-17,160 *et seq.*, as amended (the "Act"). Thereafter, pursuant to Resolution No. 19-2015 of the City duly published in *The Derby Weekly Informer* on August 12, 2015 and mailed certified mail, return receipt requested, to each owner and occupant of land within the proposed STAR Bond Project District, to the Board of County Commissioners of Sedgwick County, Kansas and the Board of Education of Unified School District No. 260, the Mayor opened the public hearing regarding the proposed STAR Bond Project District.

Thereupon, after hearing the comments of persons desiring to speak with respect to the above matters, the Mayor closed the public hearing.

Thereupon, there was presented to the governing body an agreement entitled:

**FUNDING AND DEVELOPER OF RECORD AGREEMENT**

Thereupon, Councilmember \_\_\_\_\_ moved that said agreement be approved and that the City Manager be authorized to execute said agreement by and on behalf of the City in substantially the form presented to the governing body, with such modifications as may be approved by the City Attorney. The motion was seconded by Councilmember \_\_\_\_\_. The motion was carried by the vote of the governing body, the vote being as follows:

Yea:

Nay:

Thereupon, the Mayor declared said motion duly passed.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**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 Derby, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

---

City Clerk