



**City Council Agenda
July 6, 2021
5:30 P.M. - City Hall**

WELCOME AND CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT PERIOD

Items not already on the agenda may be brought before the Governing Body. Persons must sign in to be eligible. (Three-minute maximum time limit). After three minutes, items will then be voted on to see whether to place the item on the next agenda.

CONSENT AGENDA:

- Minutes from the Previous meeting: Pages 2 – 4
- Minutes from Special meeting: Page 5
- Appropriations:
- Lake Cabin Transfer: C-16, D-2, D-3 Pages 6 - 57

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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OLD BUSINESS:

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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- North Riverwalk Extension Update:

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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NEW BUSINESS:

- Recreation Department Appointment and Pool Manager Training/Certification Pay Increase Page 58

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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- Office Committee Recommendation: Appointment of Amy Lif to City Custodian Page 59

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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- Police and Fire Committee Recommendation: Appointment of Victor Massey to Class B Officer Page 60 - 61

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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- City Employee Merit Raises: Page 62

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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- Utilities Committee Recommendation: David Siemers Water 1 Certification Pay Increase Page 63

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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- Belfry/Conn Under Wash bids:

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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- Office Committee Recommendation: Vehicle for City Hall Page 64 - 65

Motion:	Seconded:	Action:	Abstention:	Este. Cost:	Appd.	Cost:
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Governing Body Comments:

Adjournment:

City Council Meeting Minutes
June 15, 2021

WELCOME AND CALL TO ORDER

Mayor Debi Schwerdtfeger called the regular City Council Meeting to order. Council members present were Jason Booker, Keith Wessel, Mark Brooks, Sharon Haun, Mark Berner, and Larry Siegrist. City Attorney Bill Halvorsen and City Administrator Nick Jones were also present. Others attending were Mindy Andres, Marcus Hernandez, Larry Karns, Deidra Knight, Jesse Knight, Kelley Judd.

PUBLIC COMMENT PERIOD I

Deidra Knight addressed the City Council regarding Washunga Days and the importance of the event to the community. Mrs. Knight told the council that she wished for more public support of the event and for more people to volunteer and to be nicer to each other.

CONSENT AGENDA

Councilperson Sharon Haun made a motion to approve the Consent Agenda as presented in the packet. Councilperson Larry Siegrist seconded the motion. The consent agenda consisted of:

- May 15, 2021, Minutes
- May 15, 2021, to Current Appropriations.
- Cabin Transfer: C-21, H-1, H-12, I-11

Motion carried 6 – 0

OLD BUSINESS

- **North Riverwalk Extension – Update:**
City Administrator Nick Jones reported that the Bryant and Bryant construction is making good progress on the project. The rain has put them behind on other projects and they plan on being back in a couple weeks. City Administrator Nick Jones noted that they have 78 working days to complete the project.
- **Riverwalk Amphitheater - Update:**
City Administrator Nick Jones reported that Creed Construction is pouring concrete for the ADA seating and last set of stairs and landing and will be have everything ready for Washunga Days this coming weekend.

NEW BUSINESS

- **Stella Discussion – Downtown Business Owners**
Deidra Knight with Riverbank Brewery addressed the City Council regarding the Stella theater and the concern with the building continuing to deteriorate. Mrs. Knight offered to help in any way she could to help the city come up with a solution to the problem. City Administrator Nick Jones said that Hartman Masonry is working on removing the back portion of the building along with the chimney's and said that Chris Hartman may have an architect that could possibly come up with a solution to preserving the façade and walls to the building. Councilmen Mark Brooks said the city has the authority to deal with building that become a public hazard to ensure the public's safety. Councilmen Brooks also said he would like to look into crowdfunding to preserve the façade of the building. Jesse Knight with Riverbank Brewery addresses the City Council encouraging the council to continue the process of taking care of the issue with the Stella theater and that the building needed to be condemned. Kelley Judd said he was heartened with the shift from tearing the building down to trying to save the facade.
- **Department Head Report – City Inspector James Masters**
City Inspector James Masters presented to the City Council his department head report noting the number of permits issued in 2019 were 234, 2020 permits issued 303, and estimated about 326 permits will be issued in 2021. City Inspector James Masters informed the council of mowing violations in 2019 were 43 notices with 28 yards mowed, 2020 10 notices and 5 yards mowed, and 2021 as of June 15, 10 notices and 1 yard mowed. City Inspector James Masters then informed the council of code violations for 2019 being 46 notices, 2020 3 notices, and as of June 15, 8 notices.
- **Amending City Ordinances**
City Attorney Bill Halvorsen and City Inspector James Masters presented to the council an amendment to Council Grove Code section 1-115, relating to general provisions of the city code and the application of penalty provisions contained in the city code section 1-116, and repealing the existing city code section 1-115. Councilperson Larry Siegrist

made a motion to approve the amendment to City Code 1-115. The motion was seconded by Councilperson Sharon Haun seconded the motion. Motion carried 6 – 0.

City Attorney Bill Halvorsen and City Inspector James Masters presented to the council an amendment to Council Grove Code section 8-503, relating to notice of violation for failing to remove weeds and repealing the existing city code 8-503. Councilperson Jason Booker made a motion to approve the amendment to Council Grove code section 8-503. The motion was seconded by Councilperson Mark Berner. Motion carried 6 - 0

- **229 S. Neosho Street – Dead & Diseased Tree:**

City Inspector James Masters presented a resolution to the council to remove a dead tree located at 229 S Neosho Street. City Inspector Masters informed the council that notice was sent to the property owner Samuel Ziegler and the bank that holds the title to the property and received no response for either party. City Inspector Masters presented 3 bids for the removal of the tree. Terry Slawson bid to remove the tree was \$2,200, A-1 Tree's bid was \$2,000, and Chris Lange's bid for tree removal was \$6,000. Councilperson Mark Brooks made a motion to accept the bid from Terry Slawson for \$2,200 to be charged to assessed to the property owner's taxes. The motion was seconded by Councilperson Mark Berner. Motion carried 6 – 0

Councilperson Keith Wessel made a motion to approve the resolution to remove the dead tree. The motion was seconded by Councilperson Larry Siegrist. Motion carried 6 – 0

- **Washunga Days -- Farm Bureau Association – Touch a Truck**

City Administrator presented to the council a request to use Fairgrounds Park parking areas by the ballfields for Washunga Days/Farm Bureau Association Touch – A – Truck. Councilperson Jason Booker made a motion to approve the request to use the Fairgrounds Park. The motion was seconded by Councilperson Sharon Haun. Motion Carried 6 – 0

- **Alcohol Consumption and Sale at Community Events Application**

City Administrator Nick Jones present the Washunga Days/Rotary Alcohol Consumption and Sale at Community Events application request to sale alcohol at the Washunga Days event schedule for June 18th & 19th, 2021 from 8am to 12pm both days at the Riverwalk Park. A motion was made by Councilperson Mark Berner to approve the request. The motion was seconded by Councilperson Sharon Haun. Motion carried 5 – 0 with 1 abstention from Councilperson Mark Brooks.

- **Police and fire Committee Recommendation: Police Car Replacement**

City Administrator Nick Jones presented the City Council with information regarding purchasing a 2018 Ford Interceptor Utility vehicle for \$18,000 from Cheney Police Department to replace Police Chief Shawn Wangerin current vehicle, which has multiple mechanical issues. City Administrator Nick Jones also noted that City did not purchase a vehicle last year do to covid and the uncertainty of the financial impact. The 2020

GOVERNING BODY COMMENTS

- Councilperson Jason Booker – said he was excited about the amphitheater.
- Councilperson Mark Berner – N/A
- Councilperson Keith Wessel – Has received lots of positive comments regarding the new amphitheater.
- Councilperson Mark Brooks – asked if the City has an ordinance regarding a dog pen in the front of someone house. City Administrator Nick Jones said he does not believe a ordinance exist that prevents them from having a dog pen in the front of their house. Councilperson Mark Brooks said we should consider such ordinance.
- Councilperson Larry Siegrist – N/A
- Councilperson Sharon Haun – gave a shout out to the city crew, staff, and Jeff Blosser for the completion of the Amphitheater phase 1. Councilperson Sharon Haun also congratulated everyone for being named 1 of 15 best small town's in the United States.
- City Attorney Bill Halvorsen – N/A
- City Administrator Nick Jones -- reminder the Council of the upcoming City Lake Annexation Committee meeting at 5pm on Thursday the 17th and the Special meeting or the City Administrator review on June 29th at 5:00pm.
- Mayor Debi Schwerdtfeger – N/A

- Councilperson Mark Brooks made a motion to adjourn. Councilperson Jason Booker seconded the motion. Motion carried 6 – 0

Debi Schwerdtfeger Mayor

ATTEST:

Nick Jones City Administrator

Special City Council Meeting Minutes
June 29, 2021

Special Meeting was held at the Council Grove City Hall at 205 Union St. Mayor Debi Schwerdtfeger called the Special City Council Meeting to order. Council Members present were Jason Booker, Mark Berner, Mark Brooks, Keith Wessel, Sharon Haun and City Administrator Nick Jones.

City Administrator Performance Review

Councilperson Mark Brooks made the motion to go into Executive Session for City Administrator Nick Jones Performance Review for 1 hour with the City Council, Mayor and City Administrator. The motion was seconded by Councilperson Jason Booker and motion carried 5 – 0. Councilperson Larry Siegrist was absent.

After 1 hour a motion to adjourn was made by Councilperson Mark Brooks and seconded by Councilperson Keith Wessel. The motion carried 5 – 0

Debi Schwerdtfeger Mayor

ATTEST:

Nick Jones City Administrator

Application for Cabin Site Transfer
COUNCIL GROVE CITY LAKE

Site Number: C-16 Date: June 26, 2021

Name of Transferee: Allison & Jonathan Heather

Address: 23872 W. 124th Ct.

City: Olathe State KS Zip Code 66061

Telephone Number: 913-221-6442

Name of Transferor: Mike & Carol Petitjean

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OFFICE USE ONLY BELOW THIS LINE
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Septic tank checked: July 2, 2021

The above application is approved:

this 2nd day of July, 20 21

Signed James M... [Signature]
Building Inspector

Please immediately fill in date, site number, sign and return to City of Council Grove, P.O. Box 313, Council Grove, Kansas 66846, or deliver to City Hall at 205 N Union Street, Council Grove.

GROUND LEASE AGREEMENT

(Modified and Effective October 2, 2018)

This lease pertains to a building on leased ground, pursuant to K.S.A. 79-412.

THIS GROUND LEASE AGREEMENT (the "Lease") made and entered into this 26th day of June 2021, by and between the City of Council Grove, Kansas, a municipal corporation, hereinafter referred to as the "City" or "Lessor" and Allison & Jonathan Heather, hereinafter referred to as "Lessee". If more than one Lessee is referenced, they shall be deemed to hold their interests hereunder

as joint tenants and not as tenants in common, or

as tenants in common. (check the desired box; only one can apply.)

WHEREAS, the City is the owner of the real estate described within the Final Plat, Council Grove Lake Park, an addition to Morris County, Kansas, also referred to herein as the Council Grove City Lake Park, and;

WHEREAS, the City is also the owner of real estate located in Final Plat, Council Grove Lake Park, Section C, Lot C - 16, to Morris County, Kansas, hereinafter referred to as the "Leased Premises", and,

WHEREAS, the City desires to lease the Leased Premises to Lessee, and Lessee desires to lease the Leased Premises from the City; and,

WHEREAS, the Council Grove City Lake Association (the "CGCLA") is a Kansas not for profit corporation formed for the purpose of representing the interests of the residents of the Council Grove City Lake Park; and,

WHEREAS, the parties hereto recognize the CGCLA as an official representative of the leaseholders at the Council Grove City Lake Park for the purposes set forth herein, provided that the membership includes the majority of all leaseholders.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties here to do agree as follows:

1. **USE OF PREMISES:** The Leased Premises are only to be used for the construction and use of a residential building designed as a single family living unit along with the normal appurtenances associated therewith.

2. **DEMISE:**

a. The City does hereby lease to the Lessee, and Lessee does hereby accept from the City, subject to the

terms and conditions set forth herein, the Leased Premises.

b. The actual boundaries of the Leased Premises have been previously established and are as set forth in Final Plat, Council Lake Park, to Morris County, Kansas, which is of record at the Morris County Register of Deeds office.

c. As a part of the grant of the Leased Premises, if Leased Premises abut the Council Grove City Lake, the Lessee is hereby granted access, to and from the Leased Premises to the Council Grove City Lake.

3. **MODIFICATION OF THIS LEASE:** Other than the term of this lease as set forth in paragraph 4 and modification of rent as set forth in paragraph 5, the City may, if reasonably necessary, with consultation with the CGCLA, modify terms and conditions of the Lease and the Lessee agrees to be bound by any such modification.

4. **TERM:** The term of this Lease shall expire on December 31, 2041, regardless of its commencement date. Provided, however, this Lease, upon its expiration, shall automatically renew for a period of thirty years, and shall continue to renew for successive terms of thirty years perpetually. Notwithstanding the perpetual nature of this Lease, nothing herein shall be construed as divesting Lessor of legal title to the Leased Premises.

5. **RENT:** The Lessee agrees to pay the City rental for this Lease as follows:

a. For the year 2012, the sum of \$1,000.00; for the year of 2013, the sum of \$1,100.00; and for the year of 2014 the sum of \$1,200.00 per year. Said rental amount has been determined based upon the historical expenses (the "Expenses") incurred by the City, related to the Council Grove City Lake Park, and for matters that directly and specifically benefit the Residential Lots, such as, security, road repair and maintenance, maintenance to common areas, equipment costs, caretaker salary and that portion of general services apportioned to such purposes. It is estimated the recent annual cost of such historical expenses has been approximately \$261,000.00, which has resulted in the established rent. The rent for all subsequent three year periods shall remain at an amount equal to the third year amount of the preceding three year period, unless adjusted as set forth hereinafter.

b. Subject to the provisions of subparagraph (c), in the event there is a significant increase in the Expenses, or if there are other factors that occur which reasonably and in good faith should require an increase in rent, the City may, within reason and good faith, require an adjustment of the rent for the second three year period of the Lease and may also require adjustments to the rent for any three year period thereafter under the same factors and requirements. Prior to implementing any adjustment, the City shall notify Lessee, and also the CGCLA, of its intention to modify the rent, and the proposed new annual rental amount. Such notice shall be delivered, in writing at least 180 days prior to the end of the current three year period of the Lease. Such notice shall include the basis of the proposed increase which shall include:

1. The actual annual itemized Expenses for the period commencing January 1 and ending December 31, every year the Lease is effective.
2. Calculated average of the annual Expenses applicable to such period and a comparison of that average to the average annual Expenses during the period when the current Rent was established.
3. An itemization of all other factors which the City relies upon to justify the modification.

The proposed modified rent shall go into effect on January 1 of the year following the notice. The CGCLA may request to negotiate the proposed amount, provided they do so within sixty (60) days of receipt of the notice, in writing, to the City Clerk. Upon such request the City and CGCLA shall enter into good faith negotiations to establish a fair and equitable annual rental amount by forming a committee of three lake leaseholders, appointed by the CGCLA, three City Council members, appointed by the City Council, one representative from Ward 1, Ward 2, and Ward 3 who are not lake leaseholders, appointed by the City Council and three Council Grove business people who are not lake leaseholders, appointed by the City Council. During such negotiations the factors set forth above shall provide the criteria upon which the Committee shall base its recommendation. The Committee shall recommend a fair and equitable rent to the City Council and the City Council shall thereafter reasonably and in good faith establish a rental amount, however the City Council shall not be bound to follow the committee's recommendation. Written notice of the new Rent shall be provided to Lessee and shall become effective on January 1 of the year following such notice.

c. The City shall only be entitled to modify the Rent, as set forth in subparagraph (b), if, from the commencement of the current three year period until the notification of the modified Rent, the City has:

1. Provided the CGCLA with accurate annual itemizations of both Expenses and Rental Revenue generated by the Residential Lots; and,
2. After the first year, set aside 10% of the Revenue in a special fund designated for use only as capital improvements at the Council Grove City Lake Park. Expenditures from this fund shall be reviewed and recommended by a committee established for such purpose and including representatives from the CGCLA. The City Council shall thereafter reasonably and in good faith determine the amount and purpose of expenditure from the fund, but shall not be bound to follow the Committee's recommendation.
3. Beginning in 2014, 10% of the 10% referred to in Paragraph 5c2 above, shall be set aside by the City for a capital improvement fund to be held as a contingency fund for future major projects mutually agreed upon by the CGCLA Board of Directors and the City Council.

d. Rental payments shall be made to the Office of the City Clerk of the City. The Lessee has an option to pay one-half of a given year's rent on or before January 15 of that year and the second half on or before July 15 of that year. If at least one-half of the rent is not paid by February 15 of each year then the entire year's rent will be immediately due and payable, plus a late payment penalty in the amount of \$75.00. If the lessee makes timely payment of the first half rent, but does not make the second half payment by July 15, a \$75.00 late payment fee shall be due to Lessor. If Lessee fails to make the rental payments required hereunder, the amount due shall accrue interest at the rate of 5% per annum from and after such date, and may be collected by the City under terms of the default provisions set forth hereinafter. The City shall have a first and prior lien on the Leased Premises for all Rent due hereunder.

6. ENCUMBRANCE AND TRANSFER OF LEASEHOLD INTEREST:

a. Lessee may encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the Leased Premises, together with all buildings and improvements on the premises, as security for any indebtedness of Lessee, however such encumbrance shall be subject to the obligations of the Lessee to the City as set forth herein. The execution of any mortgage, or deed of trust, or other instrument, or the foreclosure of any mortgage, or deed of trust, or other instrument, or any sale, either by judicial proceedings or by virtue of any power reserved in a mortgage or deed of trust, or conveyance by Lessee to the holder of the indebtedness, or the exercising of any right, power, or privilege reserved

in any mortgage or deed of trust, shall not be held as a violation of any of the terms or conditions of this Lease, or as an assumption by the holder of the indebtedness personally of the obligations of this Lease.

b. If Lessee shall encumber its leasehold interest in the Leased Premises, the Lessee or the holder of the indebtedness secured by the encumbrance, shall give written notice to the City of the existence of the encumbrance. The notice shall state the name, address and telephone number of the holder of the indebtedness. The holder of the indebtedness may, at its option, at any time before the rights of Lessee shall be terminated as provided in this Lease, pay any of the rents due under this Lease, or pay any taxes and assessments, or do any other act or thing required of Lessee by the terms of this Lease, or do any act or thing that may be necessary and proper to be done in the observance of the covenants and conditions of this Lease to prevent the termination of this Lease. All payments so made and all things so done and performed by the holder shall be as effective to prevent a foreclosure of the rights of Lessee hereunder as the same would have been if done and performed by Lessee.

c. Lessee may sell, transfer, assign, gift, devise by will or other instrument, its interest in this Lease, but only with prior approval of the Lessor. The transferee of any lease must sign a lease with the City and pay a transfer fee prior to approval of the transfer. The transferor must be in full compliance with City requirements before the transfer is approved. In addition, Lessee's interest in this Lease shall pass by the laws of intestate succession and descent and distribution, pursuant to the laws of the state of Kansas.

7. LIENS:

a. Lessee shall keep all and every part of the Leased Premises and all buildings and other improvements at any time located on the premises free and clear of any and all mechanics, material suppliers, and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee, any alteration, improvement, or repairs or additions that Lessee may make or permit or cause to be made, or any work or construction, by, for, or permitted by Lessee on or about the premises, or any obligations of any kind incurred by Lessee, and at all times promptly and fully to pay and discharge any and all claims on which any such lien may or could be based, and shall indemnify Lessor and all of the Leased Premises and all buildings and improvements on the Leased Premises from and against any and all such liens and claims of liens and suits, including reasonable attorney fees, or other proceedings pertaining to the premises.

b. Lessor does not consent to any such lien attaching to the Leased Premises. In the event of a breach of this section by Lessee, Lessor shall have the rights and remedies set forth in the section on Default hereinafter.

8. TAXES AND ASSESSMENTS:

a. **IMPROVEMENTS TAXES.** As long as the county assesses taxes against the improvements separately from the real estate, Lessee shall be obligated to pay, when due, all taxes assessed against the improvements placed upon the Leased Premises. Lessee shall hold Lessor harmless from all such taxes. In the event Lessor, as owner of the land, shall receive notice of taxes due on the improvements, Lessor shall promptly notify Lessee of such notice within a time, and in a manner, allowing Lessee to make the payments, when due.

b. **TAXES IMPOSED ONLY UPON THE LAND.** Beginning with the year 2017, with the platting of the lots within the Council Grove City Lake Park, the County is assessing each lot therein separately. However, because the City is the owner of all of said lots, the Valuation Notice, as well as the statement

for taxes due, for all of said lots is provided only to the City. Therefore, the City shall, within ten (10) business days after receipt of the Valuation Notice, the statement for taxes due, or any other communication related to the taxes upon the land, mail a copy of such via first class mail to the Primary Lessee. It shall be the Lessee's responsibility to make sure they obtain the tax statement within a time frame necessary to pay the taxes in a timely manner. It shall be Lessee's obligation to pay all taxes due from the City, and related to the Leased Premises. Lessee shall pay such taxes in one of two methods, depending upon how the County will accept such payments. Under the first method, beginning in 2018 and continuing each year thereafter as long as the County will accept this method, Lessee shall make such payment directly to the County, on or before the due date set forth in the County's statement to the City. Lessee may pay such taxes in the same manner as the City could make such payment, i.e., Lessee may pay one-half of said taxes on, or before, the due date in December, and one-half of said taxes on, or before, the due date in May. If Lessee fails to make any such payment when due, the City may make such payment and recover such amounts, plus penalties, interest and attorney fees from Lessee, pursuant to Section 12 of this Lease. Under the second method, if, and when, the county has indicated that the tax payment must be made by the City the Lessee shall be obligated to pay, in full, to Lessor, within thirty days after the City gives notice of such amount being due, all taxes on the leasehold real estate which are assessed to the Lessor, as set forth on the tax statement, and the Lessor shall use such payment to pay the taxes due on the land within the time frames required. Provided, however, in the event the due date of such taxes is less than thirty days after the City gives notice of such amount, Lessor shall make such payment at least ten (10) days prior to their due date, as long as the City has provided such notice at least fifteen (15) days prior to the due date. If the City fails to provide such notice at least fifteen (15) days prior to the due date, Lessor shall make such payment within five (5) days after receipt of the notice. (The payments made by Lessee, as set forth in the preceding sentence, shall only be made to Lessor. The Lessee shall not make such payments directly to the County.) It shall be the City's obligation to determine how the county will accept the tax payment, and to notify Lessee of which method is applicable if that method has changed from the previous year, at the time the City provides notice of the amount due. Under the first method, Lessee shall have full authority to pay any, or all, of such taxes under protest, and Lessee may do so in the name of the City, to the extent any such taxes are technically the city's responsibility. Under the second method, in the event directed to do so by the Lessee, or their agent(s), the City shall pay such taxes under protest; however, the City shall only be obligated to do so if the Lessee has fulfilled their obligations to make the payment required hereunder. Lessee shall be responsible for any penalties and interest incurred by reason of their failure to pay any taxes when due. Since the Lessee is responsible hereunder for all taxes imposed upon the land, the City hereby authorizes the Lessee, or the Lessee's authorized agent(s), including but not limited to the CGCLA, to appeal the Valuation or classification of their lot, as well as any taxes imposed thereon, on behalf of and in the name of the City, without any further action of the City authorizing such appeal. The Lessee and/or their authorized agent shall have full authority, and responsibility, for filing the appeal and paying all fees and costs associated therewith and shall hold the City harmless from any obligations related thereto. The City shall have no responsibility to pursue any such appeal; however, the City agrees to cooperate, in good faith, with the Lessee, or their authorized agent(s), in their pursuit of any such appeal. The rights to appeal granted herein shall include the right to pursue such appeal throughout the statutory process, including any judicial review.

c. In the unlikely event the taxing authority does not itemize taxes by leasehold, and the Lessor only receives a tax bill for the total amount due at the Lake Park, such taxes shall be distributed 1/350 to each of the 350 leasehold lots.

d. Any assessments made by the county or other taxing authority, made by reason of the use of the premises by Lessee shall be reimbursed by Lessee within thirty (30) days after the City gives notice of such amount being due.

e. In the event the CGCLA pursues an appeal pursuant to the authority granted herein, CGCLA agrees to indemnify, and hold harmless, the Lessor from any claims of leaseholders arising from such appeal, except to the extent such claims arise from the actions or omissions of the Lessor.

9. **NO MANAGEMENT AUTHORITY:** No Lessee may individually, nor acting on behalf of any organization or entity, at any time represent that they have authority over the management or maintenance of the Council Grove City Lake Park.

10. **CONSTRUCTION REPAIR AND MAINTENANCE:**

a. All construction, repair and maintenance of any improvement upon the Leased Premises shall comply with the duly adopted Building Codes of the City, in effect at the time of such construction, repair and maintenance, the same as though the Leased Premises were located within the corporate limits of the City. Lessee shall be required to obtain any permit, and pay any fee, associated with such construction, repair and maintenance as though the Leased Premises were located within the corporate limits of the City.

b. Lessee shall, throughout the term of this Lease, at its own cost, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind that may be a part of the Leased Premises, and all appurtenances to the Leased Premises, in good, sanitary, and neat order, condition and repair, and except as specifically provided in this Lease, restore and rehabilitate any improvements of any kind that may be destroyed or damaged by fire, casualty, or any other cause whatsoever.

c. The damage, destruction, or partial destruction of any building or other improvement that is a part of the Leased Premises shall not release Lessee from any obligation under this Lease, except as expressly provided below. In case of damage to or destruction of any such building or improvement, Lessee shall at its own expense promptly repair and restore it to a condition as good or better than that which existed prior to the damage or destruction or remove such building or improvement & restore property to a clean condition.

d. In spite of anything to the contrary in the immediately preceding paragraphs of this section, in case of damage or destruction to improvements on the Leased Premises, to an extent that they are no longer useable by Lessee, Lessee may elect to terminate this Lease by written notice to Lessor; however, such termination shall not be effective until Lessee shall have either removed all of the improvements from the Leased Premises, and restored the property to a clean, sanitary and safe condition, or if Lessor at its sole discretion has waived in writing such action by Lessee.

e. The Lessor does not contemplate black-topping or hard-surfacing any of the roads at the Council Grove City Lake Park, however in the event that seventy-five percent (75%) or more of the leaseholders in any particular section should petition for hard-surfacing of roads serving that section, the Lessor shall have the right to make a special assessment against the leaseholders receiving the benefit of such improvements. Such assessment shall be on a "per lot" basis, or any other means the Lessor deems appropriate and payment of that special assessment is in addition to any other obligations herein.

f. The Lessor does not contemplate making any improvements for a sewage disposal system in the Council Grove Lake Park, however in the event that seventy-five percent (75%) or more of the leaseholders in any particular section should petition the Lessor for such a sewage disposal system, then the Lessor shall have the right to make a special assessment upon the leaseholders for payment for any and all costs and expenses for such system. Such special assessments shall be based upon a "per lot" basis or any other manner as the Lessor deems appropriate, and shall be in addition to any other obligations set forth herein.

11. **UTILITIES:** Lessee shall fully and promptly pay all monthly service charges for all water, gas, heat, light, power, telephone service, and other public utilities of every kind furnished to the leased premises throughout the term of this Lease, and all other costs and expenses of every kind whatsoever of or in connection with the use, operation, and maintenance of the leased premises and all activities conducted on the Leased Premises, and Lessor shall have no responsibility of any kind for any such costs and expenses.

12. **DEFAULT:**

a. Lessee shall be in default under the terms of this Lease if he/she/it shall fail to comply with any provision hereunder, and such failure continues for a period of sixty (60) days after Lessor has provided notice of such default, in writing. Such notice, on the part of Lessor, shall provide Lessee with a description of the default, the actions necessary to remedy the default, and shall allow the Lessee sixty (60) days within which to correct the default.

b. Except for a default by Lessee regarding the payment of rent under Section 5, or reimbursement of taxes and assessments under Section 8, Lessor shall have the right, upon the expiration of sixty (60) days following delivery of the notice set forth above, to either proceed to remedy the default itself and to assess the cost of such action against the Lessee, or bring an injunctive action, requesting a court of competent jurisdiction to order the Lessee to correct the default. In the event Lessor takes action, it shall be entitled to recover its actual costs, including reasonable attorney fees, plus an administrative fee of five percent of those costs. The administrative fee shall not exceed \$500.00. The costs and administrative fee imposed by the Lessor shall be billed to the Lessee and if not paid within thirty (30) days of such billing, Lessor shall be entitled to file notice of such costs with the Morris County Register of Deeds and such shall become a lien on the Leased Premises. If Lessor elects to bring an injunctive action to enforce the provisions hereunder, the prevailing party shall be entitled to recover their costs, including reasonable attorney fees.

c. If Lessee is in default for failure to pay rent, or other fees, pursuant to Section 5, or reimbursement of taxes and assessments under Section 8, upon expiration of sixty (60) days following delivery of the notice set forth above, Lessor shall be entitled to bring an action in a court of competent jurisdiction to recover such amounts and to also foreclose its first and prior lien on the Leased Premises, and shall be entitled to recover its costs, including reasonable attorney fees.

13. **QUIET ENJOYMENT/LESSORS RIGHT OF ENTRY:** Lessor covenants that Lessor is seized of the Leased Premises, in fee simple, and has full right to make and enter into this Lease and that Lessee shall have quiet and peaceable possession of the leased premises and improvements during the term of this Lease. Lessee shall permit Lessor and the agents and employees of Lessor to enter upon the unimproved portion of the leased premises at any time. Lessor and the agents and employees of the

Lessor may enter improvements at all reasonable times, with prior reasonable notice to the Lessee, for the purpose of inspecting the leased premises and improvements, inspecting for compliance with this Lease and any ordinances, or for the purpose of posting any notices.

14. SPECIAL OBLIGATIONS OF THE CITY:

a. The city shall maintain all main roads within the Council Grove City Lake subdivision in order to provide the Leased Premises with access to public right-of-ways, consistent with the policy used within the City limits.

b. The City agrees to work with CGCLA and any leaseholders to establish an Advisory Committee to the City Council on matters pertaining to the City Lake Park.

c. The City shall maintain the Park, including the lake, and its supporting infrastructure, in compliance with all applicable statutes, laws, rules and regulations. However nothing herein shall require the maintenance of the infrastructure which would be contrary to the best interest of the City.

d. The Lake is the primary water source for the City and the City shall have the right to impose such ordinances, rules and regulations as it deems necessary to protect the water supply.

e. The City agrees to compile and make public a semi-annual accounting of all revenues generated by, and expenses incurred for, the Council Grove City Lake Park. After the first year, the City further agrees to set aside and reserve 10% of the lease rent fee to be placed in a special Capital Improvement Fund to help finance improvements at the Council Grove City Lake Park that provide benefit to the Lessees and public access facilities. A committee, including representatives of CGCLA, shall be established for the purpose of reviewing and recommending expenditures from this fund. The City Council shall thereafter reasonably and in good faith determine the amount and purpose of expenditure from the fund, but shall not be bound to follow the committee's recommendations.

f. Notice of any new ordinances enacted by the Lessor applicable to the Council Grove City Lake Park shall be sent, at the end of each calendar year to the Lessee.

15. SPECIAL OBLIGATIONS OF THE LESSEE:

a. Lessee shall not do, or permit, anything upon the leased premises that will jeopardize the water supply of the City.

b. This Lease does not, and is not intended to, contain all matters regarding the Lake Park and each leasehold. Lessee shall obtain, read and comply with all applicable laws, statutes, ordinances, rules and regulations regarding the use of the Leased Premises.

c. Lessee shall not use the premises so as to constitute a nuisance.

d. Lessee shall be responsible for removal of garbage, rubbish, other waste and waste disposal from the Leased Premises, at Lessee's expense.

e. Chemicals may only be used on leased premises with a Chemical Permit as set forth by city ordinance.

- f. On all cabins, homes, residences or dwellings located upon the lease site, there shall be displayed, clearly visible to the public, both the section number and lot number. The letters shall be at least three (3) inches in size.
- g. Nothing in this Lease shall be deemed to lease any tenant any surface water nor does it permit any Tenant to pump water out of the lake for any use without the approval of the City Council.
- h. Lessee may not make any new roads or ways of access to any leasehold in, upon or across the Lake Park or any part thereof.
- i. Before any building or improvement is placed upon the leasehold, the Lessee shall submit to the Lessor an application in writing setting forth a description of the outside dimensions of the building or improvement, the material to be used, the type of construction, and whether the same is new material or used material and such other information as may be requested by the Lessor.

16. **EMINENT DOMAIN:** In the event all, or any significant portion, of the Leased Premises is taken by an entity, using the entity's power of eminent domain, this Lease shall terminate. In such event, the parties hereto shall each be entitled to make claim against the condemning authority for the amount of any damages they have sustained as a result of such taking.

17. **VOLUNTARY SURRENDER:** Lessee, at any time during the term of this Lease, as long as Lessee is not in default of any provision hereunder, may voluntarily surrender its rights hereunder to Lessor, and upon doing so this Lease shall terminate, and both parties shall be released from the terms hereof. In order to voluntarily surrender its rights, Lessee shall notify Lessor of its intention to do so, in writing, and shall also file such notice with the Morris County Register of Deeds. Lessor shall have 60 days, from the date the notice is filed with the Register of Deeds, within which to either deny or accept such voluntary surrender, or to notify Lessee of any existing defaults that must be corrected by Lessee before such is acceptable. If Lessor fails to notify Lessee of any such defaults within such time, Lessor shall have been deemed to accept the voluntary surrender on the date the notice was filed with the Register of Deeds. If Lessor notifies Lessee of defaults to be corrected, such notice shall also be filed with the Register of Deeds. In the event Lessor notifies Lessee of defaults to be corrected, this Lease shall not terminate until such defaults are corrected and both parties have filed a consent to terminate the Lease with the Register of Deeds.

18. **RIGHT OF FIRST REFUSAL:** If at any time during the term of this Lease, Lessor shall receive from any third party a bona fide offer to purchase an individual leasehold the property to which this Lease is subject at a price and on terms acceptable to Lessor, Lessor shall give written notice of the price and terms to Lessee, and Lessee shall have thirty (30) days thereafter in which to execute a written agreement with Lessor for the purchase of such property at that price and on those terms. If Lessor shall so notify Lessee and Lessee shall fail to execute such agreement within the 30 day period, Lessor shall thereafter be free to sell the Property to the third party making the offer on the same terms and conditions set forth in the offer, subject to the terms of this Lease. Nothing herein shall be construed to require a right of first refusal if the Lake real estate is being sold in its entirety.

19. **REGISTER OF DEEDS:** As soon as practical after the execution of this Lease, the parties shall cooperate in its filing with the Morris County Register of Deeds. Lessee shall be responsible for all costs associated with such filing.

20. **NOTICES:** Any notices given by the Lessor to the Lessee will be given to the Primary Leaseholder designated herein at the address to which such Primary Leaseholder authorizes notice until such time, if any, the Primary Leaseholder authorizes a change in such by notice in writing. Any notices to the Lessor shall be given to the City Clerk at the Office of the City clerk of the City of Council Grove, Kansas. Notices or other communication pursuant to this lease shall be given by first class mail, postage prepaid, to:

the City: City of Council Grove
Attn: City Clerk
P.O. Box 313
Council Grove, KS 66846

Primary Lessee: Allison & Jonathan Heather
23872 W, 124th Ct.
Olathe, KS 66061

21. **GENERAL TERMS:**

a. **NO WAIVER:** The waiver of either party, or the failure to take action by that party, with the respect to any breach of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of such term, covenant or condition or subsequent breach of the same, or any other term, covenant or condition contained in this Lease, nor will it bar enforcement of any term.

b. **BINDING:** The provisions of this Lease shall be binding upon and shall inure to the benefit of the parties, their heirs, executors, administrators, successors and assigns.

c. **TIME OF ESSENCE:** Time is of the essence of this Lease and of each and every covenant, term, condition and provision of this Lease.

d. **PARAGRAPH HEADINGS:** Paragraph headings are for convenience only and are not to be used in construing this agreement.

e. **GOVERNING LAW:** This Lease is entered into, and shall be governed by, the laws of the State of Kansas.

f. **ENTIRE AGREEMENT:** This Lease shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party except to the extent incorporated in this Lease. Any prior written leases, whether oral or written, between the parties hereto, regarding the Leased Premises are hereby deemed to be null and void.

g. MODIFICATION: Any modification of this Lease or additional obligation assumed by either party in connection with this Lease shall be binding only if evidenced in writing signed by each party or an authorized representative of each party. This provision shall not apply to modifications of this Lease pursuant to paragraph 3 hereof.

IN WITNESS WHEREOF, the parties have set their hands the date set forth above.

CITY OF COUNCIL GROVE, KANSAS

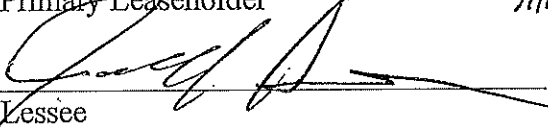
By: _____
Mayor _____

ATTEST:

City Clerk

LESSEE:


Primary Leaseholder *Allison Heather*


Lessee *Jonathan Heather*

Lessee

Address to which Primary Leaseholder authorizes Notices:

Allison & Jonathan Heather
23872 W. 124th Ct, Olathe, KS 66061

The 911 Mailing address for this Leasehold address is as follows:

152 Deep Water Loop
Council Grove, KS 66846

BILL OF SALE

This agreement has been made on June 26, 2021 (Hereafter the "Agreement Date") in the County of Morris County, in the State of Kansas between the following:

Purchaser. The individual Allison Heather and individual Jonathan Heather of 23872 W. 124th Ct., Olathe, KS 66061 (Hereafter the "Buyer")

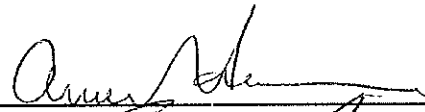
Seller. The individual Michael Petitjean and individual Carol Petitjean of 2830 Hidden Lakes Drive, Emporia, KS 66801 (Hereafter the "Seller").

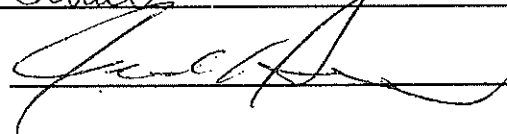
Purchase Price. The Buyer agrees to pay \$1 which does not include Municipal, County, and State taxes to the Seller in exchange for the possession and ownership of the following described property:

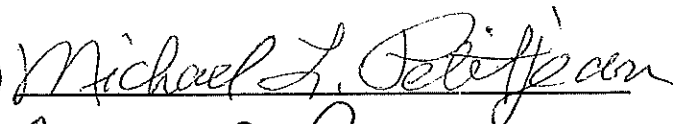
Property Description. Council Grove City Lake, C Section, Cabin C-16 (152 Deepwater Loop).


Additional Terms and Conditions. None

Buyer and Seller acknowledge that the Property is being sold without any representations ("AS-IS") and that after the sale the Seller shall not have any liabilities other than the details in this Bill of Sale.

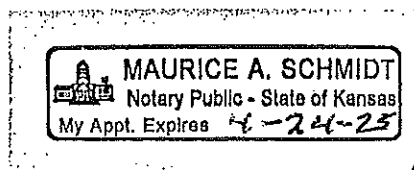
Buyer Signature (Allison Heather) 

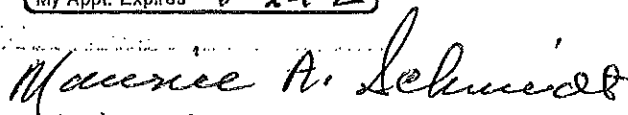
Buyer Signature (Jonathan Heather) 

Seller Signature (Michael Petitjean) 

Seller Signature (Carol Petitjean) 

Notary:




6-26-21



SEPTIC SYSTEM INSPECTION RESULTS

Section: C Site: C-16 Date: July 1, 2021

Address: 152 DEEPWATER LOOP

Septic System Type: Anaerobic: (X)

Aerobic (ATU/AWTDS): ()

Septic Tank Capacity: 1000 GALLON

Septic Tank Material: Concrete: (X) Steel: ()

Lift Pump: Yes: (X) No: ()

Pumped By: GLENN SISSION Date: 7-2-2021

Inspected By: JAMES MASTERS Date: 7-2-2021

Inspected By: _____ Date: _____

Septic System Approved: Yes: (X) No: ()

Comments:

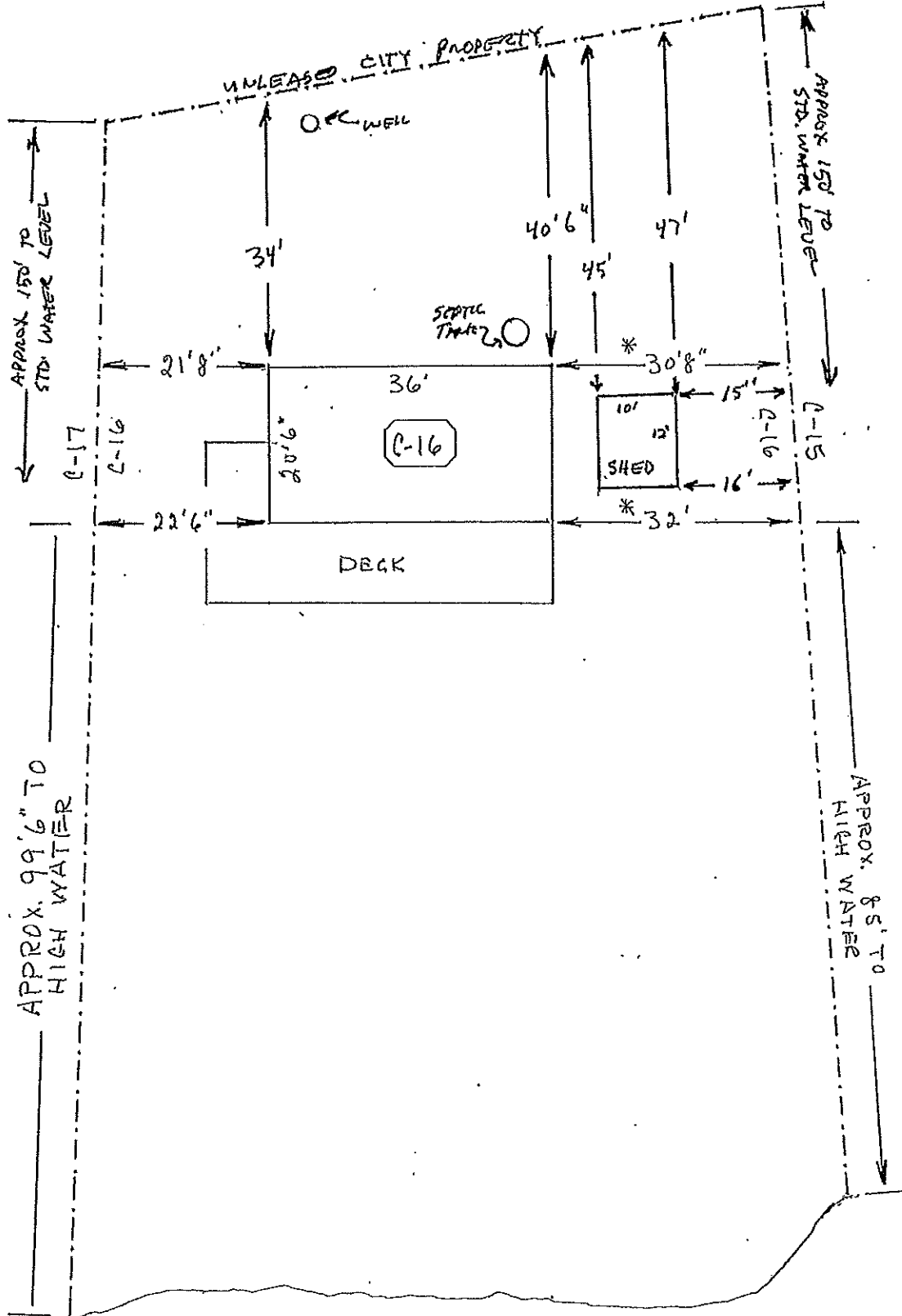
Sincerely,

James Masters
City Inspector

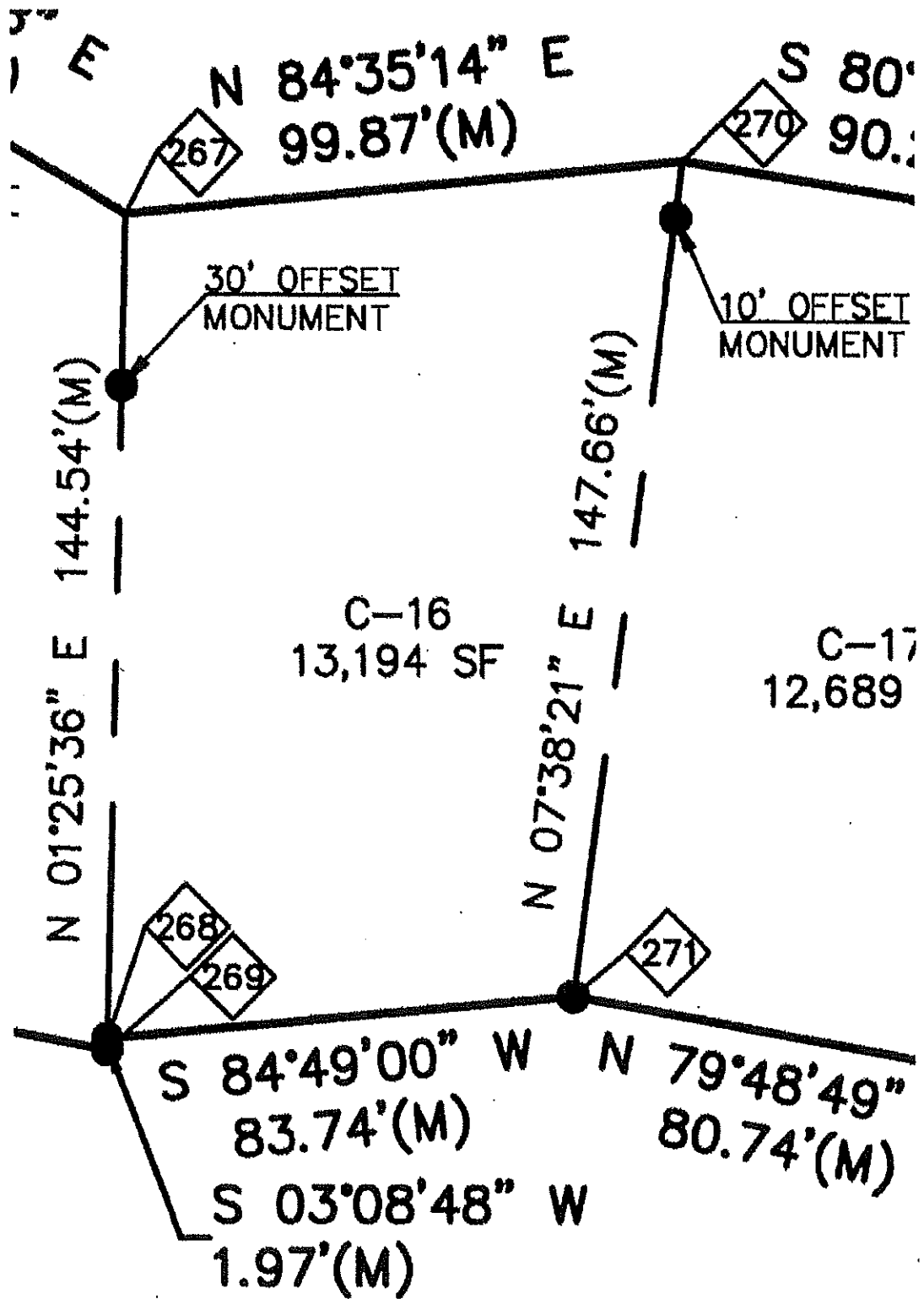
C-16

NOTE: This leasehold also includes the area within the drip lines of the 8' X 12' & 7' X 10' sheds across Deepwater Loop road opposite site C-16.

1 IN. = 20 FT.
DO NOT SCALE
DRAWING



* ~ MEASURED FROM FOUNDATION WALL



BOUNDARY CORNER COORDINATES					
◇	NORTHING	EASTING	LATITUDE	LONGITUDE	
254	129083.3025	1722301.2778	N38.67882974	W96.56391949	
255	129054.3475	1722294.7513	N38.67875054	W96.56394396	
256	128917.8672	1722264.0660	N38.67837718	W96.56405901	
257	128903.3111	1722260.5259	N38.67833738	W96.56407221	
258	128908.7917	1722175.9894	N38.67835610	W96.56436798	
259	129075.4672	1722380.0644	N38.67880480	W96.56364399	
260	128929.4853	1722342.7508	N38.67840565	W96.56378278	
261	128900.7304	1722335.6104	N38.67832702	W96.56380939	
262	129044.7744	1722435.5456	N38.67871812	W96.56345138	
263	129005.1967	1722431.9715	N38.67860962	W96.56346610	
264	128888.4929	1722419.7822	N38.67828976	W96.56351528	
265	129037.3738	1722545.7678	N38.67869300	W96.56306576	
266	128871.7026	1722506.9999	N38.67823987	W96.56321075	
+	267	128999.1820	1722610.8048	N38.67858532	W96.56284010
+	268	128854.6895	1722607.2064	N38.67818879	W96.56286074
	269	128852.7249	1722607.0984	N38.67818340	W96.56286123
+	270	129008.6029	1722710.2304	N38.67860685	W96.56249136
+	271	128862.2544	1722690.6015	N38.67820593	W96.56256825
	272	128994.3847	1722799.3730	N38.67856393	W96.56217995
	273	128847.9762	1722770.0656	N38.67816327	W96.56229073
	274	128989.0055	1722887.2294	N38.67854533	W96.56187255
	275	128770.2854	1722817.6354	N38.67794790	W96.56212845
	276	128776.6575	1722755.7887	N38.67796809	W96.56234470
	277	128957.0338	1722975.0836	N38.67845373	W96.56156663
	278	128784.1453	1722889.1638	N38.67798283	W96.56187717
	279	128758.7753	1722887.4876	N38.67791326	W96.56188445
	280	128763.0637	1722815.2788	N38.67792818	W96.56213711
	281	128899.4279	1723042.5815	N38.67829264	W96.56133344
	282	128737.6454	1723052.4856	N38.67784805	W96.56130776
	283	128755.8291	1722887.2878	N38.67790518	W96.56188531
	284	128941.6978	1723162.7613	N38.67840344	W96.56091018
	285	128741.1093	1723173.8922	N38.67785227	W96.56088236
	286	128737.3019	1723174.1914	N38.67784180	W96.56088153
	287	128940.7375	1723257.4570	N38.67839667	W96.56057858
	288	128738.1697	1723241.0965	N38.67784126	W96.56064716
	289	128941.1345	1723361.7340	N38.67839321	W96.56021335
	290	128715.6225	1723292.8477	N38.67777710	W96.56046717
	291	128726.2839	1723240.1244	N38.67780867	W96.56065123
	292	128886.9168	1723427.5666	N38.67824149	W96.55998581
	293	128713.0828	1723376.7875	N38.67776647	W96.56017333
	294	128691.4828	1723371.0496	N38.67770742	W96.56019463
STATE PLANE COORDINATES (UNADJUSTED) KANSAS NORTH ZONE 1501, NAD 1983, US SURVEY FEET			LATITUDE & LONGITUDE DECIMAL DEGREES		

Application for Cabin Site Transfer

COUNCIL GROVE CITY LAKE

Site Number: D-2 Date: June 9 ~~2020~~, 2021

Name of Transferee: Jerry D. & Lois J. Schippers
Living Trust dated June 11, 2019

Address: 1531 Briargate Drive

City: Salina State KS Zip Code 67401

Telephone Number: 785/577-7244

Name of Transferor: Justin Gouter & Janice Gouter

OFFICE USE ONLY BELOW THIS LINE

Septic tank checked: June 23, 2020

The above application is approved:

this 10th day of June, 2021

Signed James Mast
Building Inspector

Please immediately fill in date, site number, sign and return to City of Council Grove, P.O. Box 313, Council Grove, Kansas 66846, or deliver to City Hall at 205 N Union Street, Council Grove.

GROUND LEASE AGREEMENT
(Modified and Effective October 2, 2018)

This lease pertains to a building on leased ground, pursuant to K.S.A. 79-412.

THIS GROUND LEASE AGREEMENT (the "Lease") made and entered into this 4th day of JUNE 2021, by and between the City of Council Grove, Kansas, a municipal corporation, hereinafter referred to as the "City" or "Lessor" and JERRY D. SCHIPPERS and Lois J. Schippers, trustees of the, hereinafter referred to as "Lessee". If more than one Lessee is referenced, they shall be deemed to hold their interests hereunder Jerry and Lois Schippers Living Trust dated June 4, 2019

as joint tenants and not as tenants in common, or

as tenants in common. (check the desired box; only one can apply.)

WHEREAS, the City is the owner of the real estate described within the Final Plat, Council Grove Lake Park, an addition to Morris County, Kansas, also referred to herein as the Council Grove City Lake Park, and;

WHEREAS, the City is also the owner of real estate located in Final Plat, Council Grove Lake Park, Section D, Lot D - 2, to Morris County, Kansas, hereinafter referred to as the "Leased Premises", and,

WHEREAS, the City desires to lease the Leased Premises to Lessee, and Lessee desires to lease the Leased Premises from the City; and,

WHEREAS, the Council Grove City Lake Association (the "CGCLA") is a Kansas not for profit corporation formed for the purpose of representing the interests of the residents of the Council Grove City Lake Park; and,

WHEREAS, the parties hereto recognize the CGCLA as an official representative of the leaseholders at the Council Grove City Lake Park for the purposes set forth herein, provided that the membership includes the majority of all leaseholders.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties here to do agree as follows:

1. **USE OF PREMISES:** The Leased Premises are only to be used for the construction and use of a residential building designed as a single family living unit along with the normal appurtenances associated therewith.

2. **DEMISE:**

a. The City does hereby lease to the Lessee, and Lessee does hereby accept from the City, subject to the

terms and conditions set forth herein, the Leased Premises.

b. The actual boundaries of the Leased Premises have been previously established and are as set forth in Final Plat, Council Lake Park, to Morris County, Kansas, which is of record at the Morris County Register of Deeds office.

c. As a part of the grant of the Leased Premises, if Leased Premises abut the Council Grove City Lake, the Lessee is hereby granted access, to and from the Leased Premises to the Council Grove City Lake.

3. **MODIFICATION OF THIS LEASE:** Other than the term of this lease as set forth in paragraph 4 and modification of rent as set forth in paragraph 5, the City may, if reasonably necessary, with consultation with the CGCLA, modify terms and conditions of the Lease and the Lessee agrees to be bound by any such modification.

4. **TERM:** The term of this Lease shall expire on December 31, 2041, regardless of its commencement date. Provided, however, this Lease, upon its expiration, shall automatically renew for a period of thirty years, and shall continue to renew for successive terms of thirty years perpetually. Notwithstanding the perpetual nature of this Lease, nothing herein shall be construed as divesting Lessor of legal title to the Leased Premises.

5. **RENT:** The Lessee agrees to pay the City rental for this Lease as follows:

a. For the year 2012, the sum of \$1,000.00; for the year of 2013, the sum of \$1,100.00; and for the year of 2014 the sum of \$1,200.00 per year. Said rental amount has been determined based upon the historical expenses (the "Expenses") incurred by the City, related to the Council Grove City Lake Park, and for matters that directly and specifically benefit the Residential Lots, such as, security, road repair and maintenance, maintenance to common areas, equipment costs, caretaker salary and that portion of general services apportioned to such purposes. It is estimated the recent annual cost of such historical expenses has been approximately \$261,000.00, which has resulted in the established rent. The rent for all subsequent three year periods shall remain at an amount equal to the third year amount of the preceding three year period, unless adjusted as set forth hereinafter.

b. Subject to the provisions of subparagraph (c), in the event there is a significant increase in the Expenses, or if there are other factors that occur which reasonably and in good faith should require an increase in rent, the City may, within reason and good faith, require an adjustment of the rent for the second three year period of the Lease and may also require adjustments to the rent for any three year period thereafter under the same factors and requirements. Prior to implementing any adjustment, the City shall notify Lessee, and also the CGCLA, of its intention to modify the rent, and the proposed new annual rental amount. Such notice shall be delivered, in writing at least 180 days prior to the end of the current three year period of the Lease. Such notice shall include the basis of the proposed increase which shall include:

1. The actual annual itemized Expenses for the period commencing January 1 and ending December 31, every year the Lease is effective.
2. Calculated average of the annual Expenses applicable to such period and a comparison of that average to the average annual Expenses during the period when the current Rent was established.
3. An itemization of all other factors which the City relies upon to justify the modification.

The proposed modified rent shall go into effect on January 1 of the year following the notice. The CGCLA may request to negotiate the proposed amount, provided they do so within sixty (60) days of receipt of the notice, in writing, to the City Clerk. Upon such request the City and CGCLA shall enter into good faith negotiations to establish a fair and equitable annual rental amount by forming a committee of three lake leaseholders, appointed by the CGCLA, three City Council members, appointed by the City Council, one representative from Ward 1, Ward 2, and Ward 3 who are not lake leaseholders, appointed by the City Council and three Council Grove business people who are not lake leaseholders, appointed by the City Council. During such negotiations the factors set forth above shall provide the criteria upon which the Committee shall base its recommendation. The Committee shall recommend a fair and equitable rent to the City Council and the City Council shall thereafter reasonably and in good faith establish a rental amount, however the City Council shall not be bound to follow the committee's recommendation. Written notice of the new Rent shall be provided to Lessee and shall become effective on January 1 of the year following such notice.

c. The City shall only be entitled to modify the Rent, as set forth in subparagraph (b), if, from the commencement of the current three year period until the notification of the modified Rent, the City has:

1. Provided the CGCLA with accurate annual itemizations of both Expenses and Rental Revenue generated by the Residential Lots; and,
2. After the first year, set aside 10% of the Revenue in a special fund designated for use only as capital improvements at the Council Grove City Lake Park. Expenditures from this fund shall be reviewed and recommended by a committee established for such purpose and including representatives from the CGCLA. The City Council shall thereafter reasonably and in good faith determine the amount and purpose of expenditure from the fund, but shall not be bound to follow the Committee's recommendation.
3. Beginning in 2014, 10% of the 10% referred to in Paragraph 5c2 above, shall be set aside by the City for a capital improvement fund to be held as a contingency fund for future major projects mutually agreed upon by the CGCLA Board of Directors and the City Council.

d. Rental payments shall be made to the Office of the City Clerk of the City. The Lessee has an option to pay one-half of a given year's rent on or before January 15 of that year and the second half on or before July 15 of that year. If at least one-half of the rent is not paid by February 15 of each year then the entire year's rent will be immediately due and payable, plus a late payment penalty in the amount of \$75.00. If the lessee makes timely payment of the first half rent, but does not make the second half payment by July 15, a \$75.00 late payment fee shall be due to Lessor. If Lessee fails to make the rental payments required hereunder, the amount due shall accrue interest at the rate of 5% per annum from and after such date, and may be collected by the City under terms of the default provisions set forth hereinafter. The City shall have a first and prior lien on the Leased Premises for all Rent due hereunder.

6. ENCUMBRANCE AND TRANSFER OF LEASEHOLD INTEREST:

a. Lessee may encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the Leased Premises, together with all buildings and improvements on the premises, as security for any indebtedness of Lessee, however such encumbrance shall be subject to the obligations of the Lessee to the City as set forth herein. The execution of any mortgage, or deed of trust, or other instrument, or the foreclosure of any mortgage, or deed of trust, or other instrument, or any sale, either by judicial proceedings or by virtue of any power reserved in a mortgage or deed of trust, or conveyance by Lessee to the holder of the indebtedness, or the exercising of any right, power, or privilege reserved

in any mortgage or deed of trust, shall not be held as a violation of any of the terms or conditions of this Lease, or as an assumption by the holder of the indebtedness personally of the obligations of this Lease.

b. If Lessee shall encumber its leasehold interest in the Leased Premises, the Lessee or the holder of the indebtedness secured by the encumbrance, shall give written notice to the City of the existence of the encumbrance. The notice shall state the name, address and telephone number of the holder of the indebtedness. The holder of the indebtedness may, at its option, at any time before the rights of Lessee shall be terminated as provided in this Lease, pay any of the rents due under this Lease, or pay any taxes and assessments, or do any other act or thing required of Lessee by the terms of this Lease, or do any act or thing that may be necessary and proper to be done in the observance of the covenants and conditions of this Lease to prevent the termination of this Lease. All payments so made and all things so done and performed by the holder shall be as effective to prevent a foreclosure of the rights of Lessee hereunder as the same would have been if done and performed by Lessee.

c. Lessee may sell, transfer, assign, gift, devise by will or other instrument, its interest in this Lease, but only with prior approval of the Lessor. The transferee of any lease must sign a lease with the City and pay a transfer fee prior to approval of the transfer. The transferor must be in full compliance with City requirements before the transfer is approved. In addition, Lessee's interest in this Lease shall pass by the laws of intestate succession and descent and distribution, pursuant to the laws of the state of Kansas.

7. LIENS:

a. Lessee shall keep all and every part of the Leased Premises and all buildings and other improvements at any time located on the premises free and clear of any and all mechanics, material suppliers, and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee, any alteration, improvement, or repairs or additions that Lessee may make or permit or cause to be made, or any work or construction, by, for, or permitted by Lessee on or about the premises, or any obligations of any kind incurred by Lessee, and at all times promptly and fully to pay and discharge any and all claims on which any such lien may or could be based, and shall indemnify Lessor and all of the Leased Premises and all buildings and improvements on the Leased Premises from and against any and all such liens and claims of liens and suits, including reasonable attorney fees, or other proceedings pertaining to the premises.

b. Lessor does not consent to any such lien attaching to the Leased Premises. In the event of a breach of this section by Lessee, Lessor shall have the rights and remedies set forth in the section on Default hereinafter.

8. TAXES AND ASSESSMENTS:

a. **IMPROVEMENTS TAXES.** As long as the county assesses taxes against the improvements separately from the real estate, Lessee shall be obligated to pay, when due, all taxes assessed against the improvements placed upon the Leased Premises. Lessee shall hold Lessor harmless from all such taxes. In the event Lessor, as owner of the land, shall receive notice of taxes due on the improvements, Lessor shall promptly notify Lessee of such notice within a time, and in a manner, allowing Lessee to make the payments, when due.

b. **TAXES IMPOSED ONLY UPON THE LAND.** Beginning with the year 2017, with the platting of the lots within the Council Grove City Lake Park, the County is assessing each lot therein separately. However, because the City is the owner of all of said lots, the Valuation Notice, as well as the statement

for taxes due, for all of said lots is provided only to the City. Therefore, the City shall, within ten (10) business days after receipt of the Valuation Notice, the statement for taxes due, or any other communication related to the taxes upon the land, mail a copy of such via first class mail to the Primary Lessee. It shall be the Lessee's responsibility to make sure they obtain the tax statement within a time frame necessary to pay the taxes in a timely manner. It shall be Lessee's obligation to pay all taxes due from the City, and related to the Leased Premises. Lessee shall pay such taxes in one of two methods, depending upon how the County will accept such payments. Under the first method, beginning in 2018 and continuing each year thereafter as long as the County will accept this method, Lessee shall make such payment directly to the County, on or before the due date set forth in the County's statement to the City. Lessee may pay such taxes in the same manner as the City could make such payment, i.e., Lessee may pay one-half of said taxes on, or before, the due date in December, and one-half of said taxes on, or before, the due date in May. If Lessee fails to make any such payment when due, the City may make such payment and recover such amounts, plus penalties, interest and attorney fees from Lessee, pursuant to Section 12 of this Lease. Under the second method, if, and when, the county has indicated that the tax payment must be made by the City the Lessee shall be obligated to pay, in full, to Lessor, within thirty days after the City gives notice of such amount being due, all taxes on the leasehold real estate which are assessed to the Lessor, as set forth on the tax statement, and the Lessor shall use such payment to pay the taxes due on the land within the time frames required. Provided, however, in the event the due date of such taxes is less than thirty days after the City gives notice of such amount, Lessor shall make such payment at least ten (10) days prior to their due date, as long as the City has provided such notice at least fifteen (15) days prior to the due date. If the City fails to provide such notice at least fifteen (15) days prior to the due date, Lessor shall make such payment within five (5) days after receipt of the notice. (The payments made by Lessee, as set forth in the preceding sentence, shall only be made to Lessor. The Lessee shall not make such payments directly to the County.) It shall be the City's obligation to determine how the county will accept the tax payment, and to notify Lessee of which method is applicable if that method has changed from the previous year, at the time the City provides notice of the amount due. Under the first method, Lessee shall have full authority to pay any, or all, of such taxes under protest, and Lessee may do so in the name of the City, to the extent any such taxes are technically the city's responsibility. Under the second method, in the event directed to do so by the Lessee, or their agent(s), the City shall pay such taxes under protest; however, the City shall only be obligated to do so if the Lessee has fulfilled their obligations to make the payment required hereunder. Lessee shall be responsible for any penalties and interest incurred by reason of their failure to pay any taxes when due. Since the Lessee is responsible hereunder for all taxes imposed upon the land, the City hereby authorizes the Lessee, or the Lessee's authorized agent(s), including but not limited to the CGCLA, to appeal the Valuation or classification of their lot, as well as any taxes imposed thereon, on behalf of and in the name of the City, without any further action of the City authorizing such appeal. The Lessee and/or their authorized agent shall have full authority, and responsibility, for filing the appeal and paying all fees and costs associated therewith and shall hold the City harmless from any obligations related thereto. The City shall have no responsibility to pursue any such appeal; however, the City agrees to cooperate, in good faith, with the Lessee, or their authorized agent(s), in their pursuit of any such appeal. The rights to appeal granted herein shall include the right to pursue such appeal throughout the statutory process, including any judicial review.

c. In the unlikely event the taxing authority does not itemize taxes by leasehold, and the Lessor only receives a tax bill for the total amount due at the Lake Park, such taxes shall be distributed 1/350 to each of the 350 leasehold lots.

d. Any assessments made by the county or other taxing authority, made by reason of the use of the premises by Lessee shall be reimbursed by Lessee within thirty (30) days after the City gives notice of such amount being due.

e. In the event the CGCLA pursues an appeal pursuant to the authority granted herein, CGCLA agrees to indemnify, and hold harmless, the Lessor from any claims of leaseholders arising from such appeal, except to the extent such claims arise from the actions or omissions of the Lessor.

9. **NO MANAGEMENT AUTHORITY:** No Lessee may individually, nor acting on behalf of any organization or entity, at any time represent that they have authority over the management or maintenance of the Council Grove City Lake Park.

10. **CONSTRUCTION REPAIR AND MAINTENANCE:**

a. All construction, repair and maintenance of any improvement upon the Leased Premises shall comply with the duly adopted Building Codes of the City, in effect at the time of such construction, repair and maintenance, the same as though the Leased Premises were located within the corporate limits of the City. Lessee shall be required to obtain any permit, and pay any fee, associated with such construction, repair and maintenance as though the Leased Premises were located within the corporate limits of the City.

b. Lessee shall, throughout the term of this Lease, at its own cost, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind that may be a part of the Leased Premises, and all appurtenances to the Leased Premises, in good, sanitary, and neat order, condition and repair, and except as specifically provided in this Lease, restore and rehabilitate any improvements of any kind that may be destroyed or damaged by fire, casualty, or any other cause whatsoever.

c. The damage, destruction, or partial destruction of any building or other improvement that is a part of the Leased Premises shall not release Lessee from any obligation under this Lease, except as expressly provided below. In case of damage to or destruction of any such building or improvement, Lessee shall at its own expense promptly repair and restore it to a condition as good or better than that which existed prior to the damage or destruction or remove such building or improvement & restore property to a clean condition.

d. In spite of anything to the contrary in the immediately preceding paragraphs of this section, in case of damage or destruction to improvements on the Leased Premises, to an extent that they are no longer useable by Lessee, Lessee may elect to terminate this Lease by written notice to Lessor; however, such termination shall not be effective until Lessee shall have either removed all of the improvements from the Leased Premises, and restored the property to a clean, sanitary and safe condition, or if Lessor at its sole discretion has waived in writing such action by Lessee.

e. The Lessor does not contemplate black-topping or hard-surfacing any of the roads at the Council Grove City Lake Park, however in the event that seventy-five percent (75%) or more of the leaseholders in any particular section should petition for hard-surfacing of roads serving that section, the Lessor shall have the right to make a special assessment against the leaseholders receiving the benefit of such improvements. Such assessment shall be on a "per lot" basis, or any other means the Lessor deems appropriate and payment of that special assessment is in addition to any other obligations herein.

f. The Lessor does not contemplate making any improvements for a sewage disposal system in the Council Grove Lake Park, however in the event that seventy-five percent (75%) or more of the leaseholders in any particular section should petition the Lessor for such a sewage disposal system, then the Lessor shall have the right to make a special assessment upon the leaseholders for payment for any and all costs and expenses for such system. Such special assessments shall be based upon a "per lot" basis or any other manner as the Lessor deems appropriate, and shall be in addition to any other obligations set forth herein.

11. **UTILITIES:** Lessee shall fully and promptly pay all monthly service charges for all water, gas, heat, light, power, telephone service, and other public utilities of every kind furnished to the leased premises throughout the term of this Lease, and all other costs and expenses of every kind whatsoever of or in connection with the use, operation, and maintenance of the leased premises and all activities conducted on the Leased Premises, and Lessor shall have no responsibility of any kind for any such costs and expenses.

12. **DEFAULT:**

a. Lessee shall be in default under the terms of this Lease if he/she/it shall fail to comply with any provision hereunder, and such failure continues for a period of sixty (60) days after Lessor has provided notice of such default, in writing. Such notice, on the part of Lessor, shall provide Lessee with a description of the default, the actions necessary to remedy the default, and shall allow the Lessee sixty (60) days within which to correct the default.

b. Except for a default by Lessee regarding the payment of rent under Section 5, or reimbursement of taxes and assessments under Section 8, Lessor shall have the right, upon the expiration of sixty (60) days following delivery of the notice set forth above, to either proceed to remedy the default itself and to assess the cost of such action against the Lessee, or bring an injunctive action, requesting a court of competent jurisdiction to order the Lessee to correct the default. In the event Lessor takes action, it shall be entitled to recover its actual costs, including reasonable attorney fees, plus an administrative fee of five percent of those costs. The administrative fee shall not exceed \$500.00. The costs and administrative fee imposed by the Lessor shall be billed to the Lessee and if not paid within thirty (30) days of such billing, Lessor shall be entitled to file notice of such costs with the Morris County Register of Deeds and such shall become a lien on the Leased Premises. If Lessor elects to bring an injunctive action to enforce the provisions hereunder, the prevailing party shall be entitled to recover their costs, including reasonable attorney fees.

c. If Lessee is in default for failure to pay rent, or other fees, pursuant to Section 5, or reimbursement of taxes and assessments under Section 8, upon expiration of sixty (60) days following delivery of the notice set forth above, Lessor shall be entitled to bring an action in a court of competent jurisdiction to recover such amounts and to also foreclose its first and prior lien on the Leased Premises, and shall be entitled to recover its costs, including reasonable attorney fees.

13. **QUIET ENJOYMENT/LESSORS RIGHT OF ENTRY:** Lessor covenants that Lessor is seized of the Leased Premises, in fee simple, and has full right to make and enter into this Lease and that Lessee shall have quiet and peaceable possession of the leased premises and improvements during the term of this Lease. Lessee shall permit Lessor and the agents and employees of Lessor to enter upon the unimproved portion of the leased premises at any time. Lessor and the agents and employees of the

Lessor may enter improvements at all reasonable times, with prior reasonable notice to the Lessee, for the purpose of inspecting the leased premises and improvements, inspecting for compliance with this Lease and any ordinances, or for the purpose of posting any notices.

14. SPECIAL OBLIGATIONS OF THE CITY:

- a. The city shall maintain all main roads within the Council Grove City Lake subdivision in order to provide the Leased Premises with access to public right-of-ways, consistent with the policy used within the City limits.
- b. The City agrees to work with CGCLA and any leaseholders to establish an Advisory Committee to the City Council on matters pertaining to the City Lake Park.
- c. The City shall maintain the Park, including the lake, and its supporting infrastructure, in compliance with all applicable statutes, laws, rules and regulations. However nothing herein shall require the maintenance of the infrastructure which would be contrary to the best interest of the City.
- d. The Lake is the primary water source for the City and the City shall have the right to impose such ordinances, rules and regulations as it deems necessary to protect the water supply.
- e. The City agrees to compile and make public a semi-annual accounting of all revenues generated by, and expenses incurred for, the Council Grove City Lake Park. After the first year, the City further agrees to set aside and reserve 10% of the lease rent fee to be placed in a special Capital Improvement Fund to help finance improvements at the Council Grove City Lake Park that provide benefit to the Lessees and public access facilities. A committee, including representatives of CGCLA, shall be established for the purpose of reviewing and recommending expenditures from this fund. The City Council shall thereafter reasonably and in good faith determine the amount and purpose of expenditure from the fund, but shall not be bound to follow the committee's recommendations.
- f. Notice of any new ordinances enacted by the Lessor applicable to the Council Grove City Lake Park shall be sent, at the end of each calendar year to the Lessee.

15. SPECIAL OBLIGATIONS OF THE LESSEE:

- a. Lessee shall not do, or permit, anything upon the leased premises that will jeopardize the water supply of the City.
- b. This Lease does not, and is not intended to, contain all matters regarding the Lake Park and each leasehold. Lessee shall obtain, read and comply with all applicable laws, statutes, ordinances, rules and regulations regarding the use of the Leased Premises.
- c. Lessee shall not use the premises so as to constitute a nuisance.
- d. Lessee shall be responsible for removal of garbage, rubbish, other waste and waste disposal from the Leased Premises, at Lessee's expense.
- e. Chemicals may only be used on leased premises with a Chemical Permit as set forth by city ordinance.

f. On all cabins, homes, residences or dwellings located upon the lease site, there shall be displayed, clearly visible to the public, both the section number and lot number. The letters shall be at least three (3) inches in size.

g. Nothing in this Lease shall be deemed to lease any tenant any surface water nor does it permit any Tenant to pump water out of the lake for any use without the approval of the City Council.

h. Lessee may not make any new roads or ways of access to any leasehold in, upon or across the Lake Park or any part thereof.

i. Before any building or improvement is placed upon the leasehold, the Lessee shall submit to the Lessor an application in writing setting forth a description of the outside dimensions of the building or improvement, the material to be used, the type of construction, and whether the same is new material or used material and such other information as may be requested by the Lessor.

16. EMINENT DOMAIN: In the event all, or any significant portion, of the Leased Premises is taken by an entity, using the entity's power of eminent domain, this Lease shall terminate. In such event, the parties hereto shall each be entitled to make claim against the condemning authority for the amount of any damages they have sustained as a result of such taking.

17. VOLUNTARY SURRENDER: Lessee, at any time during the term of this Lease, as long as Lessee is not in default of any provision hereunder, may voluntarily surrender its rights hereunder to Lessor, and upon doing so this Lease shall terminate, and both parties shall be released from the terms hereof. In order to voluntarily surrender its rights, Lessee shall notify Lessor of its intention to do so, in writing, and shall also file such notice with the Morris County Register of Deeds. Lessor shall have 60 days, from the date the notice is filed with the Register of Deeds, within which to either deny or accept such voluntary surrender, or to notify Lessee of any existing defaults that must be corrected by Lessee before such is acceptable. If Lessor fails to notify Lessee of any such defaults within such time, Lessor shall have been deemed to accept the voluntary surrender on the date the notice was filed with the Register of Deeds. If Lessor notifies Lessee of defaults to be corrected, such notice shall also be filed with the Register of Deeds. In the event Lessor notifies Lessee of defaults to be corrected, this Lease shall not terminate until such defaults are corrected and both parties have filed a consent to terminate the Lease with the Register of Deeds.

18. RIGHT OF FIRST REFUSAL: If at any time during the term of this Lease, Lessor shall receive from any third party a bona fide offer to purchase an individual leasehold the property to which this Lease is subject at a price and on terms acceptable to Lessor, Lessor shall give written notice of the price and terms to Lessee, and Lessee shall have thirty (30) days thereafter in which to execute a written agreement with Lessor for the purchase of such property at that price and on those terms. If Lessor shall so notify Lessee and Lessee shall fail to execute such agreement within the 30 day period, Lessor shall thereafter be free to sell the Property to the third party making the offer on the same terms and conditions set forth in the offer, subject to the terms of this Lease. Nothing herein shall be construed to require a right of first refusal if the Lake real estate is being sold in its entirety.

19. **REGISTER OF DEEDS:** As soon as practical after the execution of this Lease, the parties shall cooperate in its filing with the Morris County Register of Deeds. Lessee shall be responsible for all costs associated with such filing.

20. **NOTICES:** Any notices given by the Lessor to the Lessee will be given to the Primary Leaseholder designated herein at the address to which such Primary Leaseholder authorizes notice until such time, if any, the Primary Leaseholder authorizes a change in such by notice in writing. Any notices to the Lessor shall be given to the City Clerk at the Office of the City clerk of the City of Council Grove, Kansas. Notices or other communication pursuant to this lease shall be given by first class mail, postage prepaid, to:

the City: City of Council Grove
Attn: City Clerk
P.O. Box 313
Council Grove, KS 66846

Primary Lessee: JERRY D. SCHIPPERS
1531 BRIARGATE DR
SALINA KS 67401

- 21. **GENERAL TERMS:**
 - a. **NO WAIVER:** The waiver of either party, or the failure to take action by that party, with the respect to any breach of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of such term, covenant or condition or subsequent breach of the same, or any other term, covenant or condition contained in this Lease, nor will it bar enforcement of any term.
 - b. **BINDING:** The provisions of this Lease shall be binding upon and shall inure to the benefit of the parties, their heirs, executors, administrators, successors and assigns.
 - c. **TIME OF ESSENCE:** Time is of the essence of this Lease and of each and every covenant, term, condition and provision of this Lease.
 - d. **PARAGRAPH HEADINGS:** Paragraph headings are for convenience only and are not to be used in construing this agreement.
 - e. **GOVERNING LAW:** This Lease is entered into, and shall be governed by, the laws of the State of Kansas.
 - f. **ENTIRE AGREEMENT:** This Lease shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party except to the extent incorporated in this Lease. Any prior written leases, whether oral or written, between the parties hereto, regarding the Leased Premises are hereby deemed to be null and void.

g. MODIFICATION: Any modification of this Lease or additional obligation assumed by either party in connection with this Lease shall be binding only if evidenced in writing signed by each party or an authorized representative of each party. This provision shall not apply to modifications of this Lease pursuant to paragraph 3 hereof.

IN WITNESS WHEREOF, the parties have set their hands the date set forth above.

CITY OF COUNCIL GROVE, KANSAS

By:
Mayor _____

ATTEST:

City Clerk

LESSEE:
Joseph Schipper Trustee

Primary Leaseholder
Lois J. Schipper Trustee

Lessee

Lessee

Address to which Primary Leaseholder authorizes Notices:

1531 BRIARGATE DR

SALINA KS 67401

The 911 Mailing address for this Leasehold address is as follows:

144 WATERSEDGE LOOP

COUNCIL GROVE KS 66846

BILL OF SALE

KNOW ALL PERSONS BY THESE PRESENTS, I/we the undersigned Grantor(s), in consideration of the sum of Ten Dollars (\$10.00) and other valuable considerations do, at the time of closing of the contract between the two parties, I/we do GRANT, SELL, TRANSFER AND DELIVER unto Jerry and Lois Schippers Living Trust Dated June 4, 2019

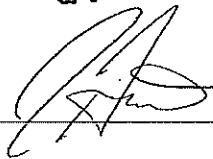
and/or his/her heirs, executors, administrators, and assigns, hereinafter referred to as Grantee(s), the following existing goods and chattels, to wit:

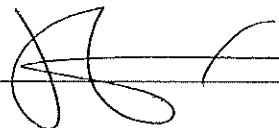
Lake home and related improvements located in Final Plat, Council Grove Lake Park, Section D , Lot D -2 , to Morris County, Kansas, 66846, including but not limited to: Water well & well equipment, septic system, all buildings, lake home, and dock

and contents thereof, as well as the assignment of all of the grantors' rights under a Lease Agreement with the City of Council Grove.

TO HAVE AND TO HOLD, all and singular, the said goods and chattels forever; And the said grantor hereby covenants with said grantee(s) that he/she/they are the lawful owner(s) of said goods and chattels; that they are free from all liens and encumbrances; that he/she/they have good right to sell the same as aforesaid, and that he/she/they will warrant and defend the same against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, the said grantor(s) have hereunto set their hands this 11th day of June , 2021 .





STATE OF Kansas , Johnson COUNTY, ss.

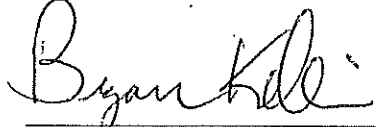
BE IT REMEMBERED, That on this 11th day of June , 2021, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Justin Gunter and Janice M Gunter who are/is personally known to me to be the same person(s) who executed the foregoing bill of sale, and such person(s) duly acknowledged the execution of the same.

IN TESTIMONY THEROF, I have hereunto set my hand and affixed my notary seal on the day and year last above written.



www.CGLakeside.net





Notary Public



SEPTIC SYSTEM INSPECTION RESULTS

Section: D Site: D-2 Date: June 23, 2020

Address: 144 WATERSEGE LOOP

Septic System Type: Anaerobic: (x)

Aerobic (ATU/AWTDS): ()

Septic Tank Capacity: 1000 GALLONS

Septic Tank Material: Concrete: (X) Steel: ()

Lift Pump: Yes: (X) No: ()

Pumped By: RODNEY WHITAKER Date: 6-23-2020

Inspected By: JAMES MASTERS Date: 6-23-2020

Inspected By: _____ Date: _____

Septic System Approved: Yes: (X) No: ()

Comments:

Sincerely,

James Masters
City Inspector

1 in. = 20 FT.
DO NOT SCALE
DRAWING

WATEREDGE LOOP
TO SEPTIC TANK
ACROSS ROAD

UNLEASED CITY PROPERTY

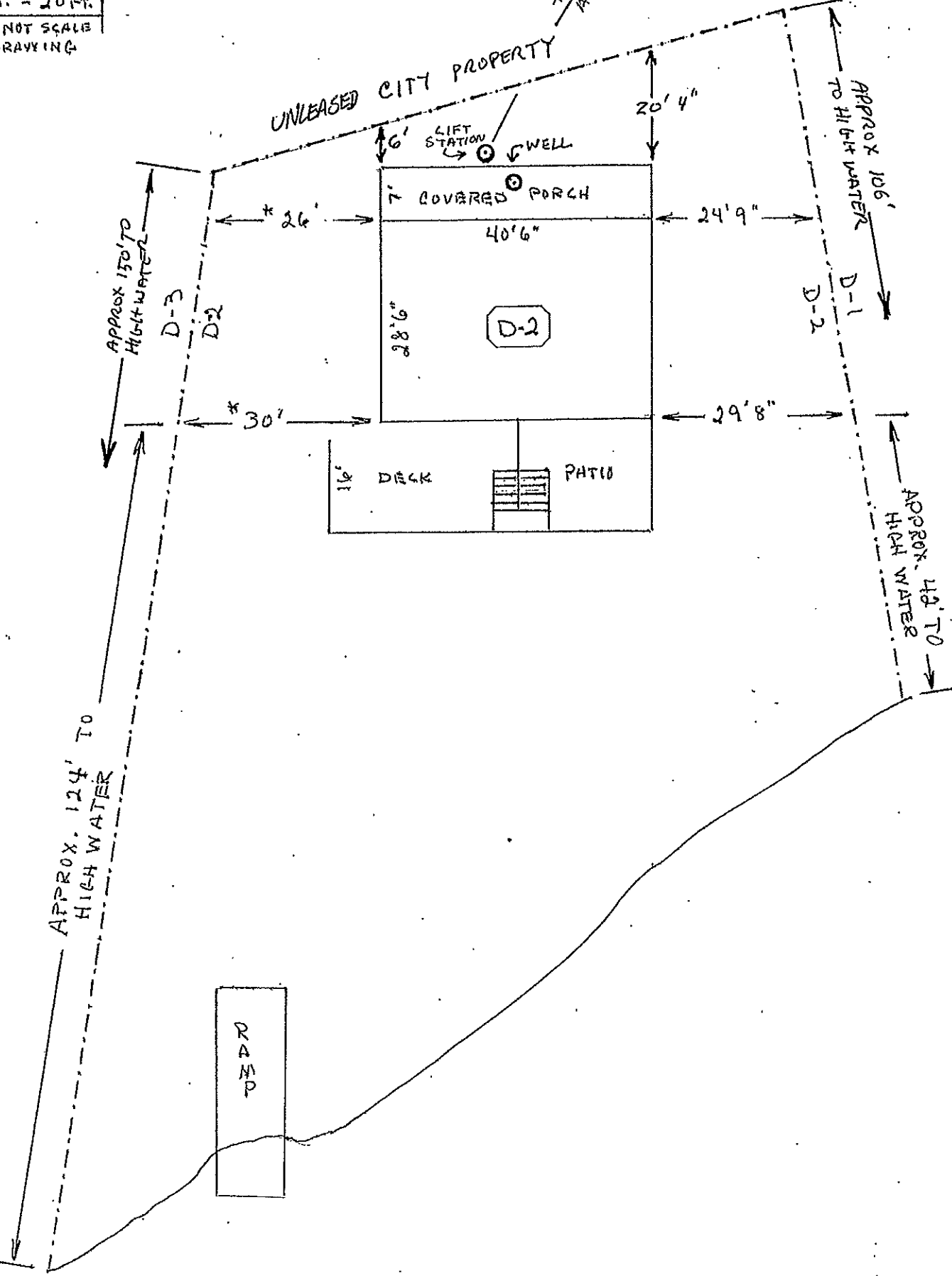
* APPROX. BECAUSE OF SHRUBS

APPROX. 124' TO
HIGH WATER

APPROX 150' TO
HIGH WATER

APPROX 106'
TO HIGH WATER

APPROX. 49' TO
HIGH WATER



D-3

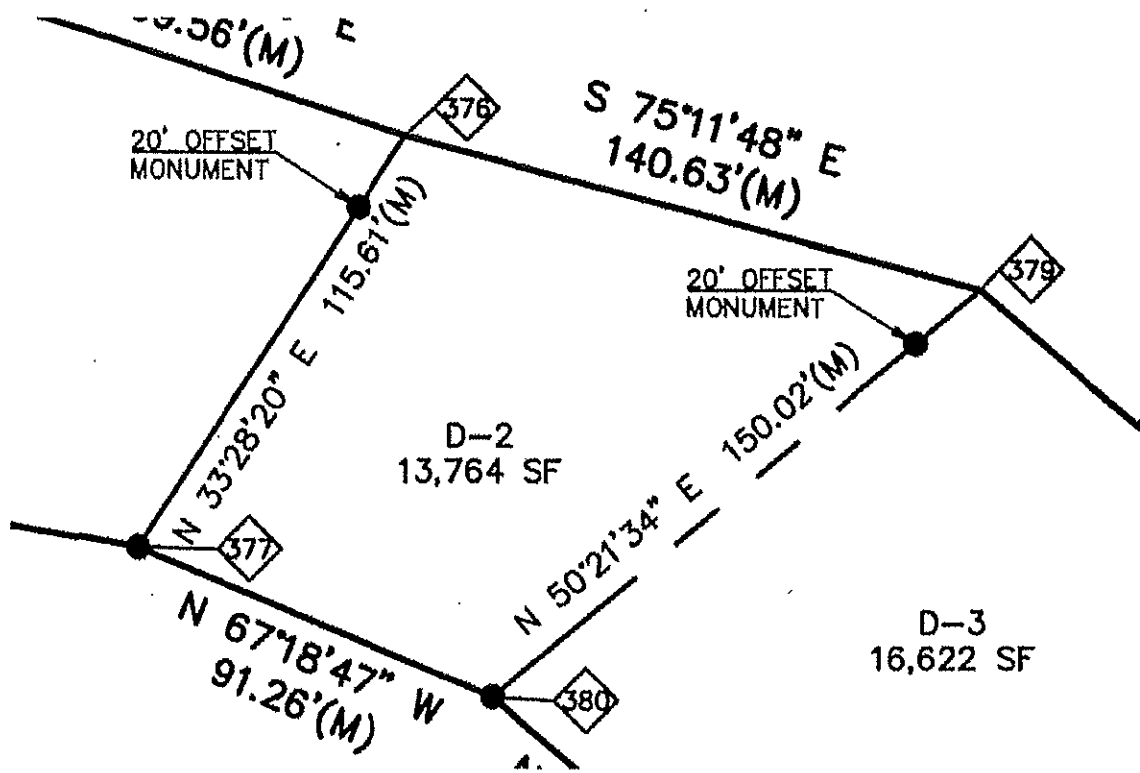
D-2

D-2

D-1

D-2

LAKE ACCESS SIDE



ROAD ACCESS SIDE

BOUNDARY CORNER COORDINATES				
◇	NORTHING	EASTING	LATITUDE	LONGITUDE
374	128145.6869	1721830.1344	N38.67627615	W96.56562161
375	128137.7221	1721984.0449	N38.67624759	W96.56508302
+ 376	128107.4833	1722078.8993	N38.67616045	W96.56475250
+ 377	128011.0445	1722015.1354	N38.67589847	W96.56498117
378	128044.4749	1721824.2791	N38.67599855	W96.56564773
+ 379	128071.5523	1722214.8600	N38.67605589	W96.56427834
+ 380	127975.8451	1722099.3366	N38.67579817	W96.56468824
381	127978.8359	1722321.9979	N38.67579669	W96.56390827
382	127929.9492	1722185.8014	N38.67566840	W96.56438797
383	127921.5683	1722162.3486	N38.67564642	W96.56447057
384	127920.8272	1722383.5848	N38.67563475	W96.56369581
385	127845.5852	1722250.2455	N38.67543399	W96.56416696
386	127834.5773	1722231.2681	N38.67540459	W96.56423404
387	127845.6416	1722441.7723	N38.67542580	W96.56349620
388	127775.3353	1722309.9845	N38.67523853	W96.56396165
389	127807.8359	1722515.8073	N38.67531879	W96.56323902
390	127716.8079	1722388.3892	N38.67507443	W96.56369032
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402	127536.6524	1722556.4309	N38.67457252	W96.56311182
403	127390.3545	1722638.5436	N38.67416731	W96.56283239
404	127488.7936	1722522.6160	N38.67444261	W96.56323291
405	127328.8976	1722557.5434	N38.67400211	W96.56311947
406	127462.1772	1722451.8602	N38.67437262	W96.56348218
407	127506.5990	1722501.9284	N38.67449239	W96.56330437
408	127264.2497	1722487.0124	N38.67382770	W96.56337007
409	127435.2284	1722392.8839	N38.67430120	W96.56369022
410	127466.6191	1722447.9705	N38.67438498	W96.56349555
411	127212.8676	1722396.0798	N38.67369060	W96.56369138
412	127410.7750	1722325.1029	N38.67423702	W96.56392895
413	127413.8531	1722323.9500	N38.67424552	W96.56393282
STATE PLANE COORDINATES (UNADJUSTED) KANSAS NORTH ZONE 1501, NAD 1983, US SURVEY FEET			LATITUDE & LONGITUDE DECIMAL DEGREES	

Application for Cabin Site Transfer
COUNCIL GROVE CITY LAKE

Site Number: D-3 Date: July 1, 2021

Name of Transferee: Ash, LLC

Address: 148 Watersedge Loop

City: Council Grove State Ks Zip Code 66801

Telephone Number: 620-481-9252

Name of Transferor: Curtis & Eileen Hayden
Timothy & Anne deNoble

=====
OFFICE USE ONLY BELOW THIS LINE
=====

Septic tank checked: June 22, 2021

The above application is approved:

this 1st day of July, 2021

Signed James Mast
Building Inspector

Please immediately fill in date, site number, sign and return to City of Council Grove, P.O. Box 313, Council Grove, Kansas 66846, or deliver to City Hall at 205 N Union Street, Council Grove.

GROUND LEASE AGREEMENT
(Modified and Effective October 2, 2018)

This lease pertains to a building on leased ground, pursuant to K.S.A. 79-412.

THIS GROUND LEASE AGREEMENT (the "Lease") made and entered into this 26th day of June 2021, by and between the City of Council Grove, Kansas, a municipal corporation, hereinafter referred to as the "City" or "Lessor" and Ash, llc., hereinafter referred to as "Lessee". If more than one Lessee is referenced, they shall be deemed to hold their interests hereunder

- as joint tenants and not as tenants in common, or
- as tenants in common. (check the desired box; only one can apply.)

WHEREAS, the City is the owner of the real estate described within the Final Plat, Council Grove Lake Park, an addition to Morris County, Kansas, also referred to herein as the Council Grove City Lake Park, and;

WHEREAS, the City is also the owner of real estate located in Final Plat, Council Grove Lake Park, Section D, Lot D - 3, to Morris County, Kansas, hereinafter referred to as the "Leased Premises", and,

WHEREAS, the City desires to lease the Leased Premises to Lessee, and Lessee desires to lease the Leased Premises from the City; and,

WHEREAS, the Council Grove City Lake Association (the "CGCLA") is a Kansas not for profit corporation formed for the purpose of representing the interests of the residents of the Council Grove City Lake Park; and,

WHEREAS, the parties hereto recognize the CGCLA as an official representative of the leaseholders at the Council Grove City Lake Park for the purposes set forth herein, provided that the membership includes the majority of all leaseholders.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties here to do agree as follows:

1. **USE OF PREMISES:** The Leased Premises are only to be used for the construction and use of a residential building designed as a single family living unit along with the normal appurtenances associated therewith.
2. **DEMISE:**
 - a. The City does hereby lease to the Lessee, and Lessee does hereby accept from the City, subject to the

terms and conditions set forth herein, the Leased Premises.

b. The actual boundaries of the Leased Premises have been previously established and are as set forth in Final Plat, Council Lake Park, to Morris County, Kansas, which is of record at the Morris County Register of Deeds office.

c. As a part of the grant of the Leased Premises, if Leased Premises abut the Council Grove City Lake, the Lessee is hereby granted access, to and from the Leased Premises to the Council Grove City Lake.

3. **MODIFICATION OF THIS LEASE:** Other than the term of this lease as set forth in paragraph 4 and modification of rent as set forth in paragraph 5, the City may, if reasonably necessary, with consultation with the CGCLA, modify terms and conditions of the Lease and the Lessee agrees to be bound by any such modification.

4. **TERM:** The term of this Lease shall expire on December 31, 2041, regardless of its commencement date. Provided, however, this Lease, upon its expiration, shall automatically renew for a period of thirty years, and shall continue to renew for successive terms of thirty years perpetually. Notwithstanding the perpetual nature of this Lease, nothing herein shall be construed as divesting Lessor of legal title to the Leased Premises.

5. **RENT:** The Lessee agrees to pay the City rental for this Lease as follows:

a. For the year 2012, the sum of \$1,000.00; for the year of 2013, the sum of \$1,100.00; and for the year of 2014 the sum of \$1,200.00 per year. Said rental amount has been determined based upon the historical expenses (the "Expenses") incurred by the City, related to the Council Grove City Lake Park, and for matters that directly and specifically benefit the Residential Lots, such as, security, road repair and maintenance, maintenance to common areas, equipment costs, caretaker salary and that portion of general services apportioned to such purposes. It is estimated the recent annual cost of such historical expenses has been approximately \$261,000.00, which has resulted in the established rent. The rent for all subsequent three year periods shall remain at an amount equal to the third year amount of the preceding three year period, unless adjusted as set forth hereinafter.

b. Subject to the provisions of subparagraph (c), in the event there is a significant increase in the Expenses, or if there are other factors that occur which reasonably and in good faith should require an increase in rent, the City may, within reason and good faith, require an adjustment of the rent for the second three year period of the Lease and may also require adjustments to the rent for any three year period thereafter under the same factors and requirements. Prior to implementing any adjustment, the City shall notify Lessee, and also the CGCLA, of its intention to modify the rent, and the proposed new annual rental amount. Such notice shall be delivered, in writing at least 180 days prior to the end of the current three year period of the Lease. Such notice shall include the basis of the proposed increase which shall include:

1. The actual annual itemized Expenses for the period commencing January 1 and ending December 31, every year the Lease is effective.
2. Calculated average of the annual Expenses applicable to such period and a comparison of that average to the average annual Expenses during the period when the current Rent was established.
3. An itemization of all other factors which the City relies upon to justify the modification.

The proposed modified rent shall go into effect on January 1 of the year following the notice. The CGCLA may request to negotiate the proposed amount, provided they do so within sixty (60) days of receipt of the notice, in writing, to the City Clerk. Upon such request the City and CGCLA shall enter into good faith negotiations to establish a fair and equitable annual rental amount by forming a committee of three lake leaseholders, appointed by the CGCLA, three City Council members, appointed by the City Council, one representative from Ward 1, Ward 2, and Ward 3 who are not lake leaseholders, appointed by the City Council and three Council Grove business people who are not lake leaseholders, appointed by the City Council. During such negotiations the factors set forth above shall provide the criteria upon which the Committee shall base its recommendation. The Committee shall recommend a fair and equitable rent to the City Council and the City Council shall thereafter reasonably and in good faith establish a rental amount, however the City Council shall not be bound to follow the committee's recommendation. Written notice of the new Rent shall be provided to Lessee and shall become effective on January 1 of the year following such notice.

c. The City shall only be entitled to modify the Rent, as set forth in subparagraph (b), if, from the commencement of the current three year period until the notification of the modified Rent, the City has:

1. Provided the CGCLA with accurate annual itemizations of both Expenses and Rental Revenue generated by the Residential Lots; and,
2. After the first year, set aside 10% of the Revenue in a special fund designated for use only as capital improvements at the Council Grove City Lake Park. Expenditures from this fund shall be reviewed and recommended by a committee established for such purpose and including representatives from the CGCLA. The City Council shall thereafter reasonably and in good faith determine the amount and purpose of expenditure from the fund, but shall not be bound to follow the Committee's recommendation.
3. Beginning in 2014, 10% of the 10% referred to in Paragraph 5c2 above, shall be set aside by the City for a capital improvement fund to be held as a contingency fund for future major projects mutually agreed upon by the CGCLA Board of Directors and the City Council.

d. Rental payments shall be made to the Office of the City Clerk of the City. The Lessee has an option to pay one-half of a given year's rent on or before January 15 of that year and the second half on or before July 15 of that year. If at least one-half of the rent is not paid by February 15 of each year then the entire year's rent will be immediately due and payable, plus a late payment penalty in the amount of \$75.00. If the lessee makes timely payment of the first half rent, but does not make the second half payment by July 15, a \$75.00 late payment fee shall be due to Lessor. If Lessee fails to make the rental payments required hereunder, the amount due shall accrue interest at the rate of 5% per annum from and after such date, and may be collected by the City under terms of the default provisions set forth hereinafter. The City shall have a first and prior lien on the Leased Premises for all Rent due hereunder.

6. ENCUMBRANCE AND TRANSFER OF LEASEHOLD INTEREST:

a. Lessee may encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the Leased Premises, together with all buildings and improvements on the premises, as security for any indebtedness of Lessee, however such encumbrance shall be subject to the obligations of the Lessee to the City as set forth herein. The execution of any mortgage, or deed of trust, or other instrument, or the foreclosure of any mortgage, or deed of trust, or other instrument, or any sale, either by judicial proceedings or by virtue of any power reserved in a mortgage or deed of trust, or conveyance by Lessee to the holder of the indebtedness, or the exercising of any right, power, or privilege reserved

in any mortgage or deed of trust, shall not be held as a violation of any of the terms or conditions of this Lease, or as an assumption by the holder of the indebtedness personally of the obligations of this Lease.

b. If Lessee shall encumber its leasehold interest in the Leased Premises, the Lessee or the holder of the indebtedness secured by the encumbrance, shall give written notice to the City of the existence of the encumbrance. The notice shall state the name, address and telephone number of the holder of the indebtedness. The holder of the indebtedness may, at its option, at any time before the rights of Lessee shall be terminated as provided in this Lease, pay any of the rents due under this Lease, or pay any taxes and assessments, or do any other act or thing required of Lessee by the terms of this Lease, or do any act or thing that may be necessary and proper to be done in the observance of the covenants and conditions of this Lease to prevent the termination of this Lease. All payments so made and all things so done and performed by the holder shall be as effective to prevent a foreclosure of the rights of Lessee hereunder as the same would have been if done and performed by Lessee.

c. Lessee may sell, transfer, assign, gift, devise by will or other instrument, its interest in this Lease, but only with prior approval of the Lessor. The transferee of any lease must sign a lease with the City and pay a transfer fee prior to approval of the transfer. The transferor must be in full compliance with City requirements before the transfer is approved. In addition, Lessee's interest in this Lease shall pass by the laws of intestate succession and descent and distribution, pursuant to the laws of the state of Kansas.

7. LIENS:

a. Lessee shall keep all and every part of the Leased Premises and all buildings and other improvements at any time located on the premises free and clear of any and all mechanics, material suppliers, and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee, any alteration, improvement, or repairs or additions that Lessee may make or permit or cause to be made, or any work or construction, by, for, or permitted by Lessee on or about the premises, or any obligations of any kind incurred by Lessee, and at all times promptly and fully to pay and discharge any and all claims on which any such lien may or could be based, and shall indemnify Lessor and all of the Leased Premises and all buildings and improvements on the Leased Premises from and against any and all such liens and claims of liens and suits, including reasonable attorney fees, or other proceedings pertaining to the premises.

b. Lessor does not consent to any such lien attaching to the Leased Premises. In the event of a breach of this section by Lessee, Lessor shall have the rights and remedies set forth in the section on Default hereinafter.

8. TAXES AND ASSESSMENTS:

a. **IMPROVEMENTS TAXES.** As long as the county assesses taxes against the improvements separately from the real estate, Lessee shall be obligated to pay, when due, all taxes assessed against the improvements placed upon the Leased Premises. Lessee shall hold Lessor harmless from all such taxes. In the event Lessor, as owner of the land, shall receive notice of taxes due on the improvements, Lessor shall promptly notify Lessee of such notice within a time, and in a manner, allowing Lessee to make the payments, when due.

b. **TAXES IMPOSED ONLY UPON THE LAND.** Beginning with the year 2017, with the platting of the lots within the Council Grove City Lake Park, the County is assessing each lot therein separately. However, because the City is the owner of all of said lots, the Valuation Notice, as well as the statement

for taxes due, for all of said lots is provided only to the City. Therefore, the City shall, within ten (10) business days after receipt of the Valuation Notice, the statement for taxes due, or any other communication related to the taxes upon the land, mail a copy of such via first class mail to the Primary Lessee. It shall be the Lessee's responsibility to make sure they obtain the tax statement within a time frame necessary to pay the taxes in a timely manner. It shall be Lessee's obligation to pay all taxes due from the City, and related to the Leased Premises. Lessee shall pay such taxes in one of two methods, depending upon how the County will accept such payments. Under the first method, beginning in 2018 and continuing each year thereafter as long as the County will accept this method, Lessee shall make such payment directly to the County, on or before the due date set forth in the County's statement to the City. Lessee may pay such taxes in the same manner as the City could make such payment, i.e., Lessee may pay one-half of said taxes on, or before, the due date in December, and one-half of said taxes on, or before, the due date in May. If Lessee fails to make any such payment when due, the City may make such payment and recover such amounts, plus penalties, interest and attorney fees from Lessee, pursuant to Section 12 of this Lease. Under the second method, if, and when, the county has indicated that the tax payment must be made by the City the Lessee shall be obligated to pay, in full, to Lessor, within thirty days after the City gives notice of such amount being due, all taxes on the leasehold real estate which are assessed to the Lessor, as set forth on the tax statement, and the Lessor shall use such payment to pay the taxes due on the land within the time frames required. Provided, however, in the event the due date of such taxes is less than thirty days after the City gives notice of such amount, Lessor shall make such payment at least ten (10) days prior to their due date, as long as the City has provided such notice at least fifteen (15) days prior to the due date. If the City fails to provide such notice at least fifteen (15) days prior to the due date, Lessor shall make such payment within five (5) days after receipt of the notice. (The payments made by Lessee, as set forth in the preceding sentence, shall only be made to Lessor. The Lessee shall not make such payments directly to the County.) It shall be the City's obligation to determine how the county will accept the tax payment, and to notify Lessee of which method is applicable if that method has changed from the previous year, at the time the City provides notice of the amount due. Under the first method, Lessee shall have full authority to pay any, or all, of such taxes under protest, and Lessee may do so in the name of the City, to the extent any such taxes are technically the city's responsibility. Under the second method, in the event directed to do so by the Lessee, or their agent(s), the City shall pay such taxes under protest; however, the City shall only be obligated to do so if the Lessee has fulfilled their obligations to make the payment required hereunder. Lessee shall be responsible for any penalties and interest incurred by reason of their failure to pay any taxes when due. Since the Lessee is responsible hereunder for all taxes imposed upon the land, the City hereby authorizes the Lessee, or the Lessee's authorized agent(s), including but not limited to the CGCLA, to appeal the Valuation or classification of their lot, as well as any taxes imposed thereon, on behalf of and in the name of the City, without any further action of the City authorizing such appeal. The Lessee and/or their authorized agent shall have full authority, and responsibility, for filing the appeal and paying all fees and costs associated therewith and shall hold the City harmless from any obligations related thereto. The City shall have no responsibility to pursue any such appeal; however, the City agrees to cooperate, in good faith, with the Lessee, or their authorized agent(s), in their pursuit of any such appeal. The rights to appeal granted herein shall include the right to pursue such appeal throughout the statutory process, including any judicial review.

c. In the unlikely event the taxing authority does not itemize taxes by leasehold, and the Lessor only receives a tax bill for the total amount due at the Lake Park, such taxes shall be distributed 1/350 to each of the 350 leasehold lots.

d. Any assessments made by the county or other taxing authority, made by reason of the use of the premises by Lessee shall be reimbursed by Lessee within thirty (30) days after the City gives notice of such amount being due.

e. In the event the CGCLA pursues an appeal pursuant to the authority granted herein, CGCLA agrees to indemnify, and hold harmless, the Lessor from any claims of leaseholders arising from such appeal, except to the extent such claims arise from the actions or omissions of the Lessor.

9. **NO MANAGEMENT AUTHORITY:** No Lessee may individually, nor acting on behalf of any organization or entity, at any time represent that they have authority over the management or maintenance of the Council Grove City Lake Park.

10. **CONSTRUCTION REPAIR AND MAINTENANCE:**

a. All construction, repair and maintenance of any improvement upon the Leased Premises shall comply with the duly adopted Building Codes of the City, in effect at the time of such construction, repair and maintenance, the same as though the Leased Premises were located within the corporate limits of the City. Lessee shall be required to obtain any permit, and pay any fee, associated with such construction, repair and maintenance as though the Leased Premises were located within the corporate limits of the City.

b. Lessee shall, throughout the term of this Lease, at its own cost, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind that may be a part of the Leased Premises, and all appurtenances to the Leased Premises, in good, sanitary, and neat order, condition and repair, and except as specifically provided in this Lease, restore and rehabilitate any improvements of any kind that may be destroyed or damaged by fire, casualty, or any other cause whatsoever.

c. The damage, destruction, or partial destruction of any building or other improvement that is a part of the Leased Premises shall not release Lessee from any obligation under this Lease, except as expressly provided below. In case of damage to or destruction of any such building or improvement, Lessee shall at its own expense promptly repair and restore it to a condition as good or better than that which existed prior to the damage or destruction or remove such building or improvement & restore property to a clean condition.

d. In spite of anything to the contrary in the immediately preceding paragraphs of this section, in case of damage or destruction to improvements on the Leased Premises, to an extent that they are no longer useable by Lessee, Lessee may elect to terminate this Lease by written notice to Lessor; however, such termination shall not be effective until Lessee shall have either removed all of the improvements from the Leased Premises, and restored the property to a clean, sanitary and safe condition, or if Lessor at its sole discretion has waived in writing such action by Lessee.

e. The Lessor does not contemplate black-topping or hard-surfacing any of the roads at the Council Grove City Lake Park, however in the event that seventy-five percent (75%) or more of the leaseholders in any particular section should petition for hard-surfacing of roads serving that section, the Lessor shall have the right to make a special assessment against the leaseholders receiving the benefit of such improvements. Such assessment shall be on a "per lot" basis, or any other means the Lessor deems appropriate and payment of that special assessment is in addition to any other obligations herein.

f. The Lessor does not contemplate making any improvements for a sewage disposal system in the Council Grove Lake Park, however in the event that seventy-five percent (75%) or more of the leaseholders in any particular section should petition the Lessor for such a sewage disposal system, then the Lessor shall have the right to make a special assessment upon the leaseholders for payment for any and all costs and expenses for such system. Such special assessments shall be based upon a "per lot" basis or any other manner as the Lessor deems appropriate, and shall be in addition to any other obligations set forth herein.

11. UTILITIES: Lessee shall fully and promptly pay all monthly service charges for all water, gas, heat, light, power, telephone service, and other public utilities of every kind furnished to the leased premises throughout the term of this Lease, and all other costs and expenses of every kind whatsoever of or in connection with the use, operation, and maintenance of the leased premises and all activities conducted on the Leased Premises, and Lessor shall have no responsibility of any kind for any such costs and expenses.

12. DEFAULT:

a. Lessee shall be in default under the terms of this Lease if he/she/it shall fail to comply with any provision hereunder, and such failure continues for a period of sixty (60) days after Lessor has provided notice of such default, in writing. Such notice, on the part of Lessor, shall provide Lessee with a description of the default, the actions necessary to remedy the default, and shall allow the Lessee sixty (60) days within which to correct the default.

b. Except for a default by Lessee regarding the payment of rent under Section 5, or reimbursement of taxes and assessments under Section 8, Lessor shall have the right, upon the expiration of sixty (60) days following delivery of the notice set forth above, to either proceed to remedy the default itself and to assess the cost of such action against the Lessee, or bring an injunctive action, requesting a court of competent jurisdiction to order the Lessee to correct the default. In the event Lessor takes action, it shall be entitled to recover its actual costs, including reasonable attorney fees, plus an administrative fee of five percent of those costs. The administrative fee shall not exceed \$500.00. The costs and administrative fee imposed by the Lessor shall be billed to the Lessee and if not paid within thirty (30) days of such billing, Lessor shall be entitled to file notice of such costs with the Morris County Register of Deeds and such shall become a lien on the Leased Premises. If Lessor elects to bring an injunctive action to enforce the provisions hereunder, the prevailing party shall be entitled to recover their costs, including reasonable attorney fees.

c. If Lessee is in default for failure to pay rent, or other fees, pursuant to Section 5, or reimbursement of taxes and assessments under Section 8, upon expiration of sixty (60) days following delivery of the notice set forth above, Lessor shall be entitled to bring an action in a court of competent jurisdiction to recover such amounts and to also foreclose its first and prior lien on the Leased Premises, and shall be entitled to recover its costs, including reasonable attorney fees.

13. QUIET ENJOYMENT/LESSORS RIGHT OF ENTRY: Lessor covenants that Lessor is seized of the Leased Premises, in fee simple, and has full right to make and enter into this Lease and that Lessee shall have quiet and peaceable possession of the leased premises and improvements during the term of this Lease. Lessee shall permit Lessor and the agents and employees of Lessor to enter upon the unimproved portion of the leased premises at any time. Lessor and the agents and employees of the

Lessor may enter improvements at all reasonable times, with prior reasonable notice to the Lessee, for the purpose of inspecting the leased premises and improvements, inspecting for compliance with this Lease and any ordinances, or for the purpose of posting any notices.

14. SPECIAL OBLIGATIONS OF THE CITY:

- a. The city shall maintain all main roads within the Council Grove City Lake subdivision in order to provide the Leased Premises with access to public right-of-ways, consistent with the policy used within the City limits.
- b. The City agrees to work with CGCLA and any leaseholders to establish an Advisory Committee to the City Council on matters-pertaining to the City Lake Park.
- c. The City shall maintain the Park, including the lake, and its supporting infrastructure, in compliance with all applicable statues, laws, rules and regulations. However nothing herein shall require the maintenance of the infrastructure which would be contrary to the best interest of the City.
- d. The Lake is the primary water source for the City and the City shall have the right to impose such ordinances, rules and regulations as it deems necessary to protect the water supply.
- e. The City agrees to compile and make public a semi-annual accounting of all revenues generated by, and expenses incurred for, the Council Grove City Lake Park. After the first year, the City further agrees to set aside and reserve 10% of the lease rent fee to be placed in a special Capital Improvement Fund to help finance improvements at the Council Grove City Lake Park that provide benefit to the Lessees and public access facilities. A committee, including representatives of CGCLA, shall be established for the purpose of reviewing and recommending expenditures from this fund. The City Council shall thereafter reasonably and in good faith determine the amount and purpose of expenditure from the fund, but shall not be bound to follow the committee's recommendations.
- f. Notice of any new ordinances enacted by the Lessor applicable to the Council Grove City Lake Park shall be sent, at the end of each calendar year to the Lessee.

15. SPECIAL OBLIGATIONS OF THE LESSEE:

- a. Lessee shall not do, or permit, anything upon the leased premises that will jeopardize the water supply of the City.
- b. This Lease does not, and is not intended to, contain all matters regarding the Lake Park and each leasehold. Lessee shall obtain, read and comply with all applicable laws, statues, ordinances, rules and regulations regarding the use of the Leased Premises.
- c. Lessee shall not use the premises so as to constitute a nuisance.
- d. Lessee shall be responsible for removal of garbage, rubbish, other waste and waste disposal from the Leased Premises, at Lessee's expense.
- e. Chemicals may only be used on leased premises with a Chemical Permit as set forth by city ordinance.

- f. On all cabins, homes, residences or dwellings located upon the lease site, there shall be displayed, clearly visible to the public, both the section number and lot number. The letters shall be at least three (3) inches in size.
- g. Nothing in this Lease shall be deemed to lease any tenant any surface water nor does it permit any Tenant to pump water out of the lake for any use without the approval of the City Council.
- h. Lessee may not make any new roads or ways of access to any leasehold in, upon or across the Lake Park or any part thereof.
- i. Before any building or improvement is placed upon the leasehold, the Lessee shall submit to the Lessor an application in writing setting forth a description of the outside dimensions of the building or improvement, the material to be used, the type of construction, and whether the same is new material or used material and such other information as may be requested by the Lessor.

16. **EMINENT DOMAIN:** In the event all, or any significant portion, of the Leased Premises is taken by an entity, using the entity's power of eminent domain, this Lease shall terminate. In such event, the parties hereto shall each be entitled to make claim against the condemning authority for the amount of any damages they have sustained as a result of such taking.

17. **VOLUNTARY SURRENDER:** Lessee, at any time during the term of this Lease, as long as Lessee is not in default of any provision hereunder, may voluntarily surrender its rights hereunder to Lessor, and upon doing so this Lease shall terminate, and both parties shall be released from the terms hereof. In order to voluntarily surrender its rights, Lessee shall notify Lessor of its intention to do so, in writing, and shall also file such notice with the Morris County Register of Deeds. Lessor shall have 60 days, from the date the notice is filed with the Register of Deeds, within which to either deny or accept such voluntary surrender, or to notify Lessee of any existing defaults that must be corrected by Lessee before such is acceptable. If Lessor fails to notify Lessee of any such defaults within such time, Lessor shall have been deemed to accept the voluntary surrender on the date the notice was filed with the Register of Deeds. If Lessor notifies Lessee of defaults to be corrected, such notice shall also be filed with the Register of Deeds. In the event Lessor notifies Lessee of defaults to be corrected, this Lease shall not terminate until such defaults are corrected and both parties have filed a consent to terminate the Lease with the Register of Deeds.

18. **RIGHT OF FIRST REFUSAL:** If at any time during the term of this Lease, Lessor shall receive from any third party a bona fide offer to purchase an individual leasehold the property to which this Lease is subject at a price and on terms acceptable to Lessor, Lessor shall give written notice of the price and terms to Lessee, and Lessee shall have thirty (30) days thereafter in which to execute a written agreement with Lessor for the purchase of such property at that price and on those terms. If Lessor shall so notify Lessee and Lessee shall fail to execute such agreement within the 30 day period, Lessor shall thereafter be free to sell the Property to the third party making the offer on the same terms and conditions set forth in the offer, subject to the terms of this Lease. Nothing herein shall be construed to require a right of first refusal if the Lake real estate is being sold in its entirety.

19. **REGISTER OF DEEDS:** As soon as practical after the execution of this Lease, the parties shall cooperate in its filing with the Morris County Register of Deeds. Lessee shall be responsible for all costs associated with such filing.

20. **NOTICES:** Any notices given by the Lessor to the Lessee will be given to the Primary Leaseholder designated herein at the address to which such Primary Leaseholder authorizes notice until such time, if any, the Primary Leaseholder authorizes a change in such by notice in writing. Any notices to the Lessor shall be given to the City Clerk at the Office of the City clerk of the City of Council Grove, Kansas. Notices or other communication pursuant to this lease shall be given by first class mail, postage prepaid, to:

the City:

City of Council Grove
Attn: City Clerk
P.O. Box 313
Council Grove, KS 66846

Primary Lessee:

Ash, Ilc
1219 Rural Street
Emporia, KS 66801

21. **GENERAL TERMS:**

a. **NO WAIVER:** The waiver of either party, or the failure to take action by that party, with the respect to any breach of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of such term, covenant or condition or subsequent breach of the same, or any other term, covenant or condition contained in this Lease, nor will it bar enforcement of any term.

b. **BINDING:** The provisions of this Lease shall be binding upon and shall inure to the benefit of the parties, their heirs, executors, administrators, successors and assigns.

c. **TIME OF ESSENCE:** Time is of the essence of this Lease and of each and every covenant, term, condition and provision of this Lease.

d. **PARAGRAPH HEADINGS:** Paragraph headings are for convenience only and are not to be used in construing this agreement.

e. **GOVERNING LAW:** This Lease is entered into, and shall be governed by, the laws of the State of Kansas.

f. **ENTIRE AGREEMENT:** This Lease shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party except to the extent incorporated in this Lease. Any prior written leases, whether oral or written, between the parties hereto, regarding the Leased Premises are hereby deemed to be null and void.

g. MODIFICATION: Any modification of this Lease or additional obligation assumed by either party in connection with this Lease shall be binding only if evidenced in writing signed by each party or an authorized representative of each party. This provision shall not apply to modifications of this Lease pursuant to paragraph 3 hereof.

IN WITNESS WHEREOF, the parties have set their hands the date set forth above.

CITY OF COUNCIL GROVE, KANSAS

By:
Mayor _____

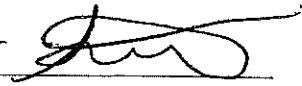
ATTEST:

City Clerk

LESSEE:

Ash, llc
Primary Leaseholder

Ash, llc c/o Amy J. Harmon
Lessee

&/or 
Lessee

Address to which Primary Leaseholder authorizes Notices:

1219 Rural Street, ash, llc c/o Amy Harmon or Steven Harmon

Emporia KS, 66801

The 911 Mailing address for this Leasehold address is as follows:

Ash, llc - 148 Watersedge Loop City Lake

Council Grove, KS 66846

BILL OF SALE

DATE _____

We, the undersigned sellers, Curtis Hayden, Eileen Hayden, Timothy de Noble, and Anne, de Noble, for the sum of \$170,000 sell to the undersigned buyer, ASH, L.L.C., the following property:

Ownership of Land Lease for Cabin D-3 located in Council Grove City Lake Park on land leased from the City of Council Grove, Kansas

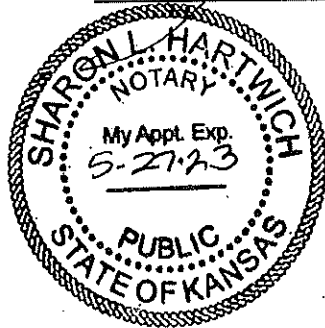
The undersigned seller affirms that the above information about this property is accurate to the best of their knowledge.

The undersigned buyer accepts receipt of this Bill of Sale and understands that the above property is sold in "as is" condition with no guarantees or warranties, either expressed or implied, for the property.

Sellers Name(print): Timothy de Noble

Sellers Signature: _____

NOTARY:



Sharon L. Hartwich
6.28.2021
Riley County, Kansas

Sellers Name(print): Clare Anne de Noble

Sellers Signature: _____



NOTARY:

Daniela Parker

Sellers Name(print):

CURTIS L. HAYDEN

Sellers Signature: [Signature]

NOTARY:

Signed before me in Riley County, KS.

Victoria Dugan
06-29-2021



Sellers Name(print):

Eileen Hayden

Sellers Signature:

Eileen Hayden

NOTARY:

Signed before me in Riley County, KS.

Victoria Dugan
6/29/2021



Buyer's Name: ASH, L.L.C.

LLC Owner Name: Steven Harmon

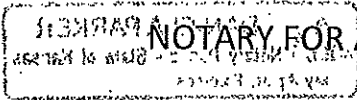
Signature:

[Signature]

LLC Owner Name: Amy Harmon

Signature;

Amy Harmon



NOTARY FOR ABOVE BUYERS



Signed before me in Lyon County, KS

Laura Tennial
6/29/2021



SEPTIC SYSTEM INSPECTION RESULTS

Section: D Site: D-3 Date: June 22, 2021

Address: 148 WATERSEGE LOOP

Septic System Type: Anaerobic: (X)

Aerobic (ATU/AWTDS): ()

Septic Tank Capacity: 1000 GALLON

Septic Tank Material: Concrete: (X) Steel: ()

Lift Pump: Yes: (X) No: ()

Pumped By: RODNEY WHITAKER Date: 6-22-2021

Inspected By: JAMES MASTERS Date: 6-22-2021

Inspected By: _____ Date: _____

Septic System Approved: Yes: (X) No: ()

Comments:

Sincerely,

James Masters
City Inspector

D-3

1 IN = 20 FT
DO NOT SCALE
DRAWING

WATERSEGE LOOP

WELLHEAD

UNLEASED CITY PROPERTY

LATERALS
ACROSS ROAD

SHED
10' x 8'

TO SEPTIC
TANK
31'9"

LIFT
STATION

D-3

SCREENED
PORCH

DECK

D-2
D-3

APPROX 150' TO
HIGH WATER

APPROX 170'
TO HIGH WATER

D-4
D-3

28'4"

30'

43'7"

31'8"

25'

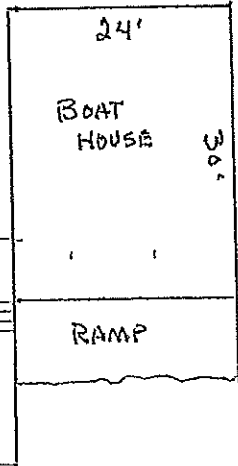
12'

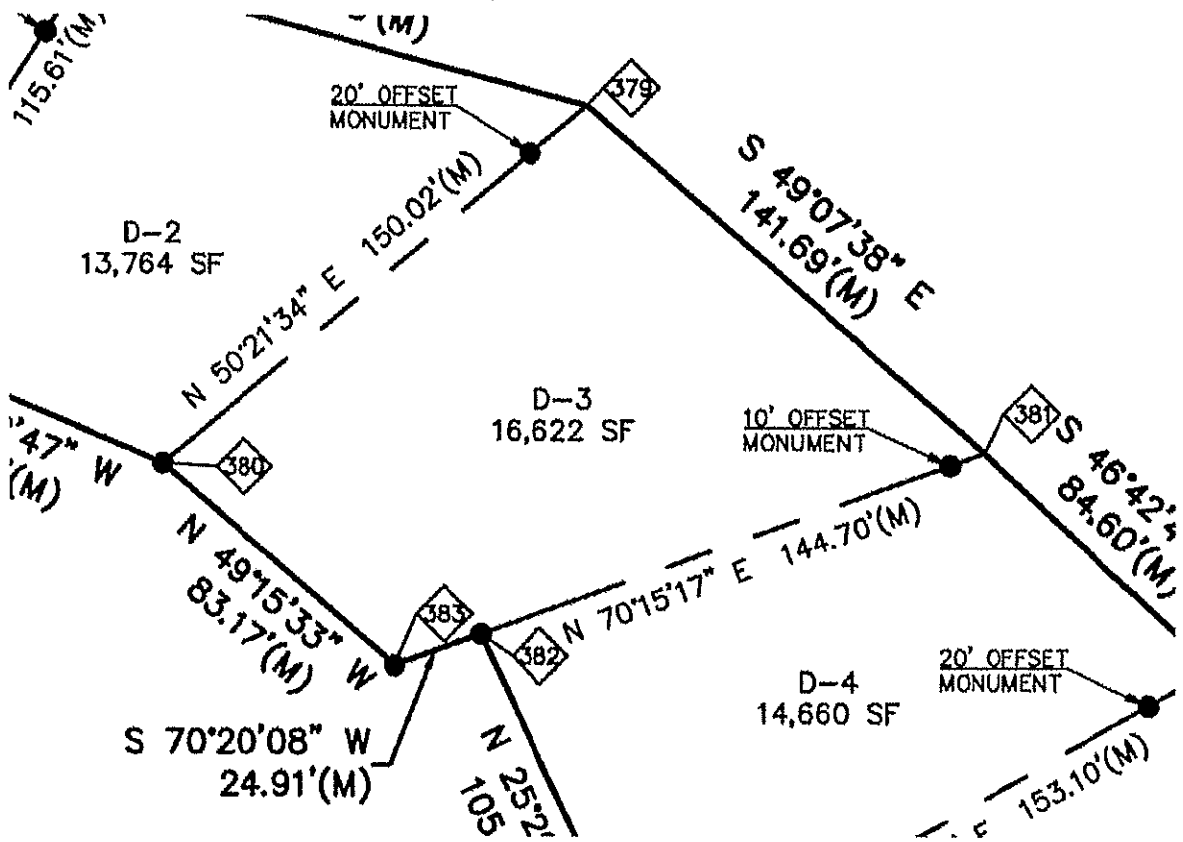
34'

35'

APPROX. 67' TO
HIGH WATER

APPROX. 110' TO
HIGH WATER





BOUNDARY CORNER COORDINATES				
◇	NORTHING	EASTING	LATITUDE	LONGITUDE
374	128145.6869	1721830.1344	N38.67627615	W96.56562161
375	128137.7221	1721984.0449	N38.67624759	W96.56508302
376	128107.4833	1722078.8993	N38.67616045	W96.56475250
377	128011.0445	1722015.1354	N38.67589847	W96.56498117
378	128044.4749	1721824.2791	N38.67599855	W96.56564773
† 379	128071.5523	1722214.8600	N38.67605589	W96.56427834
† 380	127975.8451	1722099.3366	N38.67579817	W96.56468824
† 381	127978.8359	1722321.9979	N38.67579669	W96.56390827
† 382	127929.9492	1722185.8014	N38.67566840	W96.56438797
† 383	127921.5683	1722162.3486	N38.67564642	W96.56447057
384	127920.8272	1722383.5848	N38.67563475	W96.56369581
385	127845.5852	1722250.2455	N38.67543399	W96.56416696
386	127834.5773	1722231.2681	N38.67540459	W96.56423404
387	127845.6416	1722441.7723	N38.67542580	W96.56349620
388	127775.3353	1722309.9845	N38.67523853	W96.56396165
389	127807.8359	1722515.8073	N38.67531879	W96.56323902
390	127716.8079	1722388.3892	N38.67507443	W96.56369032
391	127709.8712	1722380.0654	N38.67505575	W96.56371985
392	127754.5870	1722569.2317	N38.67517027	W96.56305488
393	127663.8214	1722447.7565	N38.67492638	W96.56348535
394	127663.1213	1722446.1601	N38.67492453	W96.56349098
395	127697.6646	1722616.0781	N38.67501196	W96.56289398
396	127604.9941	1722477.9294	N38.67476357	W96.56338295
397	127637.1365	1722668.7466	N38.67484349	W96.56271289
398	127571.3823	1722533.7327	N38.67466886	W96.56318938
399	127553.5687	1722497.8060	N38.67462152	W96.56331619
400	127597.6726	1722466.5167	N38.67474396	W96.56342332
401	127532.2961	1722705.3600	N38.67455407	W96.56259050
402	127536.6524	1722556.4309	N38.67457252	W96.56311182
403	127390.3545	1722638.5436	N38.67416731	W96.56283239
404	127488.7936	1722522.6160	N38.67444261	W96.56323291
405	127328.8976	1722557.5434	N38.67400211	W96.56311947
406	127462.1772	1722451.8602	N38.67437262	W96.56348218
407	127506.5990	1722501.9284	N38.67449239	W96.56330437
408	127264.2497	1722487.0124	N38.67382770	W96.56337007
409	127435.2284	1722392.8839	N38.67430120	W96.56369022
410	127466.6191	1722447.9705	N38.67438498	W96.56349555
411	127212.8676	1722396.0798	N38.67369060	W96.56369138
412	127410.7750	1722325.1029	N38.67423702	W96.56392895
413	127413.8531	1722323.9500	N38.67424552	W96.56393282
STATE PLANE COORDINATES (UNADJUSTED) KANSAS NORTH ZONE 1501, NAD 1983, US SURVEY FEET			LATITUDE & LONGITUDE DECIMAL DEGREES	



CITY OF COUNCIL GROVE · 205 UNION STREET · PO BOX 313
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Recreation Department

Appointment of Concession Worker:

- Appointment of Evelyn White to Concessions Worker at a pay rate of \$7.69 per hour.

Pool Manager Training/Certification Pay Increase:

- Lauren Carlson has successfully completed training and certification in the areas listed below. Each completed certification is a \$.25 increase in pay. Lauren Carlson's current pay rate as Pool Manager is \$11.00 an hour. Lauren Carlson's new pay rate will be \$12.00 an hour effective 07/07/2021 with approval of the City Council.
 - CPR – Completed
 - First Aide – Completed
 - Lifeguard Training – Completed
 - WSI Training – Completed



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Office Committee Recommendation

Appointment of Amy Lif to contracted position of City Custodian at a pay rate of \$600 a month. Amy Lif will be responsible for cleaning of City Hall, Fire Department, and Recreation Center (Armory).

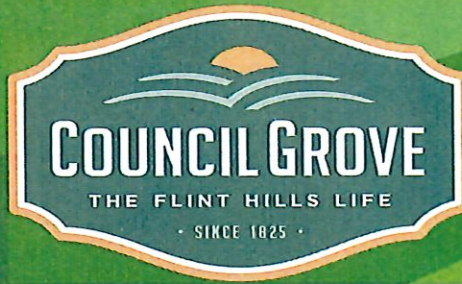


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Police and Fire Committee Recommendation

The Police and Fire Committee recommend the appointment of Victor Massey from Part-Time Police Officer to Full-Time Class B Police Officer at a pay rate of \$16.50 with a 6-month probationary period.



Chief Shawn Wangerin
Council Grove Police Department
205 North Union
Council Grove, KS 66846
(620) 767-5200

Officer Viktor Massie has been employed as a part-time officer with the City of Council Grove since November of 2019. Since his employment began, Viktor has proven to be a great addition to the department. He attended and completed the part-time training academy in 2020 with exceptionally good scores. Viktor is a proactive officer who makes sound decisions. Viktor has decided that he would like to pursue a full-time career with the Council Grove Police Department since he has finished obtaining his college degree. I would request that Viktor Massie be appointed as a full-time Police Officer for the Council Grove Police Department.

A handwritten signature in black ink, appearing to read "Shawn Wangerin", is written over a horizontal line.

Chief of Police
Shawn Wangerin



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City Employee's Merit Raises 2021

Below are the recommended new pay rates for the City Employees listed below after evaluations of work performance in the last year. Employees not listed have either received a promotion with a pay increase or have not been employed with the city for 1 year. The city budgeted \$24,000 for pay increases for 2020/2021. The Utilities Department merit raises come from the water and sewer fund as the Utilities Department is funded through the sale of water and sewer.

Utilities Department - New Hourly Pay Rates

- Derrick Craige - \$28.00
- David Siemers - \$14.28

Streets and Parks - Department New Hourly Pay Rates

- Jeff Barbo - \$20.66
- Brad Rathke - \$14.79
- Mark Meador - \$14.28

Police Department - New Hourly Pay Rates

- Shawn Wangerin - \$23.85
- Raymond Fowler - \$20.54
- Jason Bacon - \$19.92
- Jimmie Blackburn - \$19.42
- Terry Lif - \$19.42

Recreation Department

- Justin Carlson - \$20.86

City Hall – New Hourly/Salary Pay Rates

- Nick Jones – Salary \$122.40 per pay period
- Theresa Drube - \$16.64
- Laura Worrell - \$15.75
- Megan Weaver - \$14.47
- James Master - \$22.95



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Utilities Committee Recommendation

The Utilities Department recommends the appointment of David Siemers from Utilities Department Apprentice to Water Operator 1 with a pay increase of \$1.00 for the successful passing of the State of Kansas Water Operator 1 certification.



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Office Committee Recommendation

The Office Committee Recommends the purchase of a vehicle for City Hall. The Office Committee also request that the Council allow the City Administrator to spend up to \$20,000 to purchase the vehicle.



15 ▾



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