

**OTTAWA CITY COMMISSION**

**Wednesday, March 5, 2025 - 7:00 pm**



**REGULAR MEETING AGENDA**

**Ottawa City Hall - 101 S. Hickory**

In accordance with Kansas Open Meetings Act (KOMA), the meeting can be viewed live on Channel 23 and via Facebook Live or listened to by dialing: 1-312-626-6799 and entering meeting ID 979 6273 3505#. To view on YouTube: <https://www.youtube.com/@ottawaksgov>

If you need this information in another format or require a reasonable accommodation to attend this meeting, contact the City's ADA Coordinator at 785-229-3621. Please provide advance notice of at least two (2) working days. TTY users please call 711.

Citizens may in person, via Zoom or submit comments (300 words or less) for the City Commission to be read during public comment or during discussion on an agenda item.

To submit your comment or request the meeting Zoom link to give a public comment, email [publiccomments@ottawaks.gov](mailto:publiccomments@ottawaks.gov) no later than **4:00 pm on March 5, 2025**; all emails must include your name and address. Participants who generate unwanted or distracting noises may be muted by the meeting host. If this happens, unmute yourself when you wish to speak.

**I. CALL TO ORDER**

**II. ROLL CALL** \_\_\_ Allen \_\_\_ Clayton \_\_\_ Caylor \_\_\_ Crowley \_\_\_ Skidmore

**III. WELCOME**

**IV. PLEDGE OF ALLEGIANCE**

**V. INVOCATION**

**VI. PUBLIC COMMENTS**

Subject to the above restrictions, persons who wish to address the City Commission regarding items on the agenda may do so as that agenda item is called. Persons who wish to address the City Commission regarding items not on the agenda and that are under the jurisdiction of the City Commission may do so at this time when called upon by the Mayor. Comments on personnel matters and matters pending in court or with other outside tribunals are not permitted. Speakers are limited to three minutes. Any presentation is for information purposes only. The Governing Body will take comments under advisement.

**VII. APPOINTMENTS, PROCLAMATIONS, RECOGNITIONS, NOMINATIONS, AND PUBLIC HEARINGS**

**VIII. CONSENT AGENDA**

- A. Minutes From February 26, 2025 Meeting (Pp. 3 - 5)**
- B. Agenda Approval**

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ Vote: \_\_\_\_\_

**IX. DECLARATION**

At this time, I'd like to give the Commissioners a chance to declare any conflict or communication they've had that might influence their ability to consider today's issues impartially.

**X. UNFINISHED BUSINESS**

**XI. NEW BUSINESS**

- A. Appointment to Kansas Municipal Energy Agency (KMEA) Board—Director 1 Position - City Clerk Reed (Pp. 6 - 8)**

**Comment:** The appointment is for a 2 year term in the Director 1 position of the board.

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ Vote: \_\_\_\_\_

**B. Request for Approval of GRDA Power Purchase Agreement Extension for Long-Term Energy Stability - Tyson McGreer, KMEA (Pp. 9 - 84)**

**Comments:** Request for consideration and approval of GRDA Power Purchase Agreement Extension.

**C. A resolution accepting the public infrastructure improvements to 23rd Street - Director Neece (Pp. 85 - 89)**

**Comments:** As part of the development of the Victory dealerships on 23rd Street, the developer has made improvements to 23rd Street. These have been recommended by the City Engineer for acceptance by the City.

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ Vote: \_\_\_\_\_

**D. Review of Ottawa Memorial Auditorium Strategic Plan - Director Evans (Pp. 90 - 126)**

**Comments:** Director Evans will present key initiatives from the Ottawa Memorial Auditorium Strategic Plan, focusing on Branding and Awareness, Facility and Infrastructure Improvements, and Community and Stakeholder Engagement.

**E. Approval of a critical repair at Ottawa Memorial Auditorium - Director Evans (Pp. 127 - 131)**

**Comments:** Request for consideration and approval of a critical electrical repair at OMA.

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ Vote: \_\_\_\_\_

**F. Resolution Approving the City of Ottawa’s Levee Study - City Manager Silcott (*Attachments Pending*)**

**Comments:** City Manager Silcott will present a resolution to approve the Levee Study.

Motion: \_\_\_\_\_ Second: \_\_\_\_\_ Vote: \_\_\_\_\_

**XII. COMMENTS BY CITY MANAGER**

**XIII. COMMENTS BY GOVERNING BODY**

**XIV. ANNOUNCEMENTS**

- |                   |  |
|-------------------|--|
| A. March 12, 2025 | City Commission Meeting - 4:00 pm, City Hall—Cancelled |
| B. March 19, 2025 | City Commission Meeting - 10:00 am, City Hall          |
| C. March 26, 2025 | City Commission Meeting - 4:00 pm, City Hall           |

**XV. ADJOURN**

**Regular Meeting Minutes  
City Hall  
Minutes of February 26, 2025**

The Governing Body met at 4:00 p.m. on this date for the Regular City Commission Meeting, with the following members present and participating: Mayor Pro Tem Clayton, Commissioner Caylor, Commissioner Crowley and Commissioner Skidmore. Mayor Allen was absent. Mayor Pro Tem Clayton called the meeting to order.

Mayor Pro Tem Clayton welcomed the audience and led the Pledge of Allegiance to the American flag. Father Kenneth Clem from Sacred Heart Church gave the invocation.

**Public Comments**

None were received.

**Appointments, Proclamations, Recognitions, Nominations and Public Hearings**

**Consent Agenda**

Commissioner Crowley moved to approve the consent agenda, seconded by Commissioner Skidmore. The agenda included the minutes from the February 17, 2025 Special Call Meeting, February 19, 2025 Regular Meeting, December 14, 2024 Ottawa Memorial Auditorium Advisor Board Meeting, January 30, 2025 Planning Commission Meeting, and the Regular Meeting agenda. The motion was put to a vote, and all present voted in favor. The Mayor Pro Tem declared the consent agenda duly approved.

**Declaration**

No declarations were made.

**Unfinished Business**

**New Business**

**Review of Electric Utilities Operation**

The Governing Body heard from Electric Production Superintendent Hunsaker who presented an overview of the city's energy procurement strategy, highlighting key components of Ottawa's power supply agreements and future planning considerations.

Key discussion points included:

- Current Energy Source: Ottawa's portfolio includes a mix of renewable and conventional energy including the Southwest Power Pool (SPP), Kansas Municipal Energy Agency (KMEA), Grand River Dam Authority (GRDA), and local generation capacity.
- Grid Reliability & System Strengths: The City operates 18.0 MW of peaking generation capacity for emergency and cost-saving measures.
- Future Power Needs: As Ottawa's peak demand continues to grow a proposed 15 MG base power allocation from GRDA was recommended.

**Request for Approval of Resolution Adopting the Region J Kansas Multi-Hazard, Multi-Jurisdictional Hazard Mitigation Plan**

The Governing Body heard from Fire Chief Dillon who presented a resolution to adopt the Kansas Homeland Security Region J Multi-Hazard Mitigation Plan, ensuring the City remains eligible for

FEMA disaster mitigation grants.

Key elements of the plan:

- Covers seven counties in Kansas, including Franklin County.
- Identifies local hazard vulnerabilities and risk mitigation strategies.
- Aligns Ottawa with federal disaster preparedness requirements under the Disaster Mitigation Act of 2000.

Commissioner Caylor made a motion, seconded by Commissioner Skidmore, to approve the Kansas Region J Hazard Mitigation Plan update and adopt the strategies outlined in the plan to enhance the region’s resilience to hazards. The motion was considered and upon being put, all present voted aye. The Mayor Pro Tem declared this resolution duly adopted, and this resolution was duly numbered Resolution No. 1972-25.

**City Manager Comments**

City Manager Silcott provided updates on employment opportunities, public works projects, police department activities, and utility operations. The City is currently hiring for multiple positions, including maintenance workers, police officers, and seasonal public works and golf course staff. Public Works crews patched 250 potholes over the past week.

The Ottawa Police Department reported the success of the Ottawa Police Foundation Trivia Night on February 22 and highlighted staff participation in the Franklin County Crisis Intervention Training, which focused on community partnerships in crisis response. Several shifts also completed CPR, AED, and Stop the Bleed training in collaboration with the Ottawa Fire Department. The department has filled the Assistant Court Clerk position and conducted applicant testing for new police officers.

The Electric Distribution Division completed transformer installations at Hidden Lakes and Lakeside Estates and repaired tennis court light controllers. Looking ahead, the March 5, 2025, meeting agenda will include the appointment of a KMEA Board Director, approval of the GRDA agreement, acceptance of public infrastructure improvements on 23rd Street, a review of the Ottawa Memorial Auditorium Strategic Plan, and a request for approval of a critical electrical repair at the auditorium.

**Governing Body Comments**

Commissioner Skidmore commended the Police Department for hosting a successful Trivia Night event. All funds raised during the event support programs through the Ottawa Police Foundation such as DARE Camp. Mayor Pro Tem Clayton added that the event was an enjoyable and well-received experience.

**Announcements**

- |                   |  |
|-------------------|--|
| A. March 5, 2025  | City Commission Meeting - 7:00 pm, City Hall           |
| B. March 12, 2025 | City Commission Meeting – 4:00 pm, City Hall CANCELLED |
| C. March 19, 2025 | City Commission Meeting - 10:00 am, City Hall          |
| D. March 26, 2025 | City Commission Meeting - 4:00 pm, City Hall           |

**Adjournment**

There was no further business before the Governing Body, the Mayor declared the meeting duly adjourned at 4:46 pm.



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Melissa Reed, City Clerk

**City of Ottawa  
 City Commission Meeting  
 March 5, 2025**

**TO:** Mayor and City Commission  
**SUBJECT:** Kansas Municipal Energy Agency (KMEA) Board Appointment Director 1  
**INITIATED BY:** City Clerk  
**AGENDA:** New Business

**Recommendations:** It is recommended that the City Commission review and appoint a representative to the Kansas Municipal Energy Agency (KMEA) Board of Directors Director 1 position, with a term effective from April 30, 2025, through April 30, 2027.

**Background:** The Governing Body biennially selects representatives for the KMEA Board of Directors 1 and 2 positions. On March 27, 2024, the Governing Body approved the appointment of David Hunsaker to the Director 2 position, with his term expiring on April 30, 2026. The completed certificate was submitted to KMEA by the City Clerk on March 28, 2024.

**Analysis:** The current representatives for the City of Ottawa on the KMEA Board are:

		Term Exp. Date
Director-1	Sara Caylor	04/30/2025
Director-2	David Hunsaker	04/30/2026
Alternate *	Jeff Oleson	Permanent

As part of the appointment process, KMEA provides the following guidelines:

- Directors must reside within the territory served by the City’s electric utility or be a city employee.
- Directors serve two-year terms. Alternates may serve for a specified term set by the Governing Body or be appointed on a permanent basis.
- Each Member is entitled to one Director vote, which is cast by Director 1 if present. If Director 1 is absent, Director 2 may vote. The Alternate may vote if neither Director is present unless otherwise prohibited by the Governing Body.
- The Governing Body is encouraged to appoint an individual with knowledge of the City’s electric system.
- Directors should be available to attend Board of Directors meetings, which are typically held in the spring and fall in Wichita, KS.

**Financial Considerations:** There is no financial impact associated with this appointment.

**Legal Considerations:** The appointment is governed by KMEA Article V, Sections 5.1 through 5.7.

**Recommendations/Actions:** It is recommended the City Commission appoint a representative to the KMEA Board of Directors – Director 1 position:

- Take Final Action at the March 5, 2025, Regular Meeting:  
 “Motion to appoint a representative to the KMEA Board of Directors, Director 1 position.”
- Refer the item to a future meeting for further deliberation.

**Attachments:**

- XI.A.1 KMEA Bylaws Expert Article V (Board of Directors)
- XI.A.2 KMEA Director-1 Certificate

**EXCERPT OF BYLAWS OF KANSAS MUNICIPAL ENERGY AGENCY**  
**ARTICLE V**  
**BOARD OF DIRECTORS**

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XI.A.1

**Section 5.1. Selection of Directors.** The property and business of the Agency shall be managed by the Board of Directors of the Agency. The Board of Directors shall consist of two (2) Directors for each Member, provided that there shall be not less than seven (7) Directors. The Directors shall be selected by the governing bodies of the Members. In the event that the number of Members is less than seven (7), each Member shall be represented by the number of Directors which would constitute a Board of Directors of not less than seven (7) Members, provided that each Member shall select the same number of Directors. Each Member must designate the two (2) Directors as “Director-1” and “Director-2”.

The term of each Director shall be for a period of two (2) years except that the initial term of a number equal to one half of the Directors, comprised of those individuals designated as Director-2, shall be selected to a term of one (1) year. **Any Director selected by a Member may be removed at any time by the Member selecting the Director. Each Director so selected shall (a) reside within the territory served by the electric utility of the selecting Member; or (b) be an employee of the selecting Member. Each Director shall meet all other requirements of the Act and the Agreement.** Any such selection (other than a replacement selection) shall occur prior to the annual meeting of the Agency. Written evidence of selection shall be forwarded by the City Clerk or other authorized official of the Member to the Agency in writing prior to the annual meeting. Each Director shall continue in office until a successor is selected in accordance with this **Article V**.

**Section 5.2. Voting Powers.** Each Member shall be entitled to one Director vote on the Board of Directors which shall be equal to the vote of every other Member. Such vote shall be cast on behalf of the Member by Director-1 of such Member, if present; if such Director-1 is not present then by Director-2. Other than actions required in **Article XII** hereof, all actions of the Board of Directors shall be made upon affirmative vote of a majority of the Directors entitled to vote and voting on such action.

**Section 5.3. Compensation.** Except as may be specifically authorized by the Board of Directors, no Director shall receive payment from the Agency for any time spent in attending meetings of the Board of Directors or otherwise conducting business of the Agency. To the extent that funds are available, the Board of Directors, the Executive Committee, or the General Manager may authorize payment of expenses for travel in connection with the business of the Agency for other than meetings of the Board of Directors pursuant to the Act.

**Section 5.4. Vacancies.** In the event of a vacancy on the Board of Directors the appropriate Member shall select an individual to fill such vacancy for the remainder of the term in accordance with the same procedure as set forth for the selection of the initial Director. Written evidence of selection shall be provided to the Agency before voting privileges will take effect.

**Section 5.5. Removal or Resignation.** A Director may be removed only by the governing body of the Member selecting such Director. Any Director may resign by providing notice to the governing body of the Member the Director represents. The governing body shall certify to the Agency such removal or resignation of a Director.

**Section 5.6. Successor Director.** Upon removal or resignation of a Director, a successor Director will be selected by the governing body in the same manner as the original Director was selected, and the successor Director will be certified by the governing body to the Agency in the same manner as the original Director was certified. The successor Director shall serve for the remainder of the unexpired term of the original Director, subject to the rights of the governing body and such successor Director under **Section 5.5** of these Bylaws.

**Section 5.7. Alternates.** Each Member shall designate an Alternate or Alternates for the Director in the same manner as the Directors are designated. In the event any Director is unable to attend a meeting, any duly appointed Alternate may substitute at the meeting of the Board of Directors for such Director. The Member shall provide the Agency with written notification of the selection of such Alternate or Alternates. In the event neither Director designated by the Member is present, the Alternate may vote on behalf of such Member unless the governing body of the Member has specifically prohibited the Alternate from voting on the Member’s behalf. If more than one Alternate is designated by the Member, the governing body shall specify in its designation the order in which the Alternates shall have voting rights on behalf of the Member.



XI.A.2

# CERTIFICATE – DIRECTOR-1

## KANSAS MUNICIPAL ENERGY AGENCY BOARD OF DIRECTORS

This certificate duly documents the appointment of a **Director-1** to serve on the Board of Directors of the Kansas Municipal Energy Agency (KMEA) as provided for in Article V, Section 5.1 of KMEA's Bylaws.

I, the undersigned City Clerk of the City of \_\_\_\_\_, Kansas, a member of KMEA, do hereby certify that at a meeting of the City Governing Body duly held on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_; and

Name:	_____	Title:	_____
Address:	_____		
City:	_____	State:	_____
		Zip Code:	_____
Office Phone:	_____	Cell Phone:	_____
		Fax:	_____
Email Address:	_____		

who (a) resides within the territory served by the City's electric utility; or (b) is an employee of the City, was appointed to serve on the KMEA Board of Directors for a two-year term ending on April 30, \_\_\_\_\_.

I further certify that the foregoing appointment is reflected in the official Minutes of the Governing Body of the City for the meeting on the date indicated above.

This certificate is given this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
City Clerk

\_\_\_\_\_, Kansas

Agenda Item: XI.B

**City of Ottawa**  
**City Commission Meeting**  
March 5, 2025

**TO:** City Commission  
**SUBJECT:** GRDA Power Purchase Agreement Extension  
**INITIATED BY:** City Manager  
**PREPARED BY:** Utility Director  
**AGENDA:** New Business

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**Recommendation:** It is recommended by staff to consider the approval of the Power Purchase Agreement (PPA) extension with the Grand River Dam Authority (GRDA) to secure 12MW with an option to increase up to 15MW, if available, for a 25-year term from May 1, 2026, through April 30, 2051.

**Background:** The City of Ottawa has an existing Power Purchase Agreement with GRDA through the Kansas Municipal Energy Agency (KMEA), set to expire on April 30, 2026. KMEA has successfully negotiated an extension with GRDA, ensuring long-term access to a reliable power supply. The agreement provides competitive pricing, operational flexibility, and grid reliability through GRDA's diverse energy portfolio, which includes hydroelectric, wind, natural gas, and coal generation resources.

**Analysis:**

- **Long-Term Energy Stability:** Extending the agreement provides a predictable and stable power supply for the city over the next 25 years.
- **Scalability:** The agreement allows the city to increase its allocation from 12MW up to 15MW if available.
- **Cost-Effectiveness:** GRDA's pricing structure remains competitive, ensuring continued affordability for Ottawa's municipal energy needs.
- **Minimal Impact on Customers:** The additional Energy Cost Adjustment (ECA) per month for a residential customer using 1,000 kWh under the new GRDA contract results in only a marginal increase. Based on 2024 records, the cost difference per kWh is minimal, averaging just **\$0.70 per month** for a typical residential user.
- **Renewable Energy Considerations:** GRDA has committed to transitioning away from coal, aligning with sustainability initiatives.

**Financial Considerations:** The long-term agreement provides price stability, mitigating risks associated with market fluctuations. The contract extension secures cost-effective electricity procurement, supporting municipal budget planning and rate predictability for residents.

**Legal Considerations:** The agreement aligns with Kansas statutes governing municipal power purchases. The contract ensures compliance with regulatory requirements, including Federal Energy Regulatory Commission (FERC) and Southwest Power Pool (SPP) standards.

**Recommendation/Action:** It is recommended that the City Commission deliberate approval of the recommended resolution to extend the Power Purchase Agreement with GRDA through KMEA:

- **Take action at the March 5, 2025, Regular Meeting:**  
“Recommend approval of the resolution to extend the GRDA Power Purchase Agreement, securing 12MW with the option to increase up to 15MW if available, ensuring long-term energy reliability and cost stability.”
- **Recommend the item be moved to a future City Commission meeting for further discussion and consideration.**

**Attachments:**

- GRDA Power Purchase Agreement Extension Document
- City of Ottawa Resolution for Power Purchase Agreement
- Current agreement with GRDA

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

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

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

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

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

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

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

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

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

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

**Article 1. DEFINITIONS**

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

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



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

## Article 2. CONSTRUCTION

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

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

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

### **Article 3. RELATIONSHIP WITH DOCUMENTS**

3.01 **Other GRDA Power Supply Project No. 2 Agreements.** Except for the identity of the Participants and each City’s capacity and energy amounts as set forth in *Appendix B* (and, as applicable, other information specific to each individual Participant), this Agreement is and shall remain identical to the other GRDA Power Supply Project No. 2 Agreements.

3.02 **Relationship to SPP Markets.** The Parties agree that this Agreement is premised on the continuing ability of KMEA to implement the GRDA Power Supply Project No. 2 within the transmission footprint of SPP and the operation of SPP’s centralized markets. If, during the Term, the GRDA Product is no longer located within the SPP footprint or otherwise operating within SPP’s centralized markets, or if the City’s load will no longer be located within SPP, or if for any other reason the implementation of the GRDA Power Supply Project No. 2 will no longer be conducted within SPP’s centralized markets, then the Parties agree to undertake in good faith negotiations to amend this Agreement to provide for physical delivery to the City of its properly allocable share of the GRDA Product. The Parties acknowledge that no such amendments shall diminish City’s obligation to make payments to KMEA as required pursuant to Article 5.

### **Article 4. SALE AND PURCHASE**

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

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

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

### Article 5. COST RESPONSIBILITY

- 5.01 Cost Responsibility for GRDA Power Supply Project No. 2 Costs. The obligation of the City to make payments under this Agreement shall be absolute, and the failure of KMEA to deliver Energy hereunder shall not relieve the City from its obligation to pay for the City's proportionate share of the expenses incurred by KMEA for the Electricity.

(a) Each month the City will pay KMEA the City's allocated portion of all amounts to be paid for the Electricity delivered under this Agreement, including, without limitation:

- Basic Charge
- Capacity Charge, per Capacity Billing kW
- Energy Charge, per Billing kWh
- Taxes, Fees and Duties
- KMEA Administrative Fee as described in Section 5.01(c) herein

(b) The current rates are provided in Schedule WP-OCA – Wholesale Power Service Outside Control Area contained in Exhibit A to the GRDA Agreement. The rates are subject to the Power Cost Adjustment set forth in Schedule PCA of Schedule WP-OCA. The City acknowledges that the rates are subject to change by GRDA from time to time pursuant to 82 O.S.A. Section 861 *et seq.*, and the City will pay KMEA the rates as established by GRDA under the GRDA Agreement and Schedule WP-OCA. KMEA agrees to promptly communicate to the City any notice from GRDA on Schedule WP-OCA changes.

(c) The KMEA Administrative Fee each month shall be (i) an amount established by KMEA from time to time based on KMEA's annual budget, plus (ii) where applicable, City's portion of KMEA's costs incurred in the prior month that are related to the GRDA Power Supply Project No. 2 but were not included in KMEA's Budget.

## Article 6. PAYMENTS AND BILLING

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

## Article 7. INDEMNIFICATION OF KMEA

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

## Article 8. FORCE MAJEURE AND CURTAILMENTS

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

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

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

#### **Article 9. SUSPENSION OF SERVICE FOR NONPAYMENT**

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

#### **Article 10. RESALE RESTRICTIONS ON PRIVATE BUSINESS USE**

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

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

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

**Article 11. BREACH OF GRDA AGREEMENT AND REMEDIES**

- 11.01 The City acknowledges that each of the following constitutes a breach of the GRDA Agreement:

- (a) the failure of KMEA to pay any amount that is past due if such failure is not remedied within three (3) business days after receiving written notice from GRDA;
- (b) the failure of KMEA or GRDA to comply with any material term or condition of the GRDA Agreement which is not corrected within a commercially reasonable period of time;
- (c) the failure of KMEA to provide the documentation as to creditworthiness of KMEA, as described in Section 7.05 of the GRDA Agreement, and the failure of KMEA to provide documentation as to compliance with the provisions of Section 15.07 of the GRDA Agreement relating to resales of energy and capacity that constitute private business use;
- (d) the filing by KMEA or GRDA of a voluntary petition in bankruptcy under any provision of any federal or state law; or
- (e) the entry of a decree adjudicating KMEA or GRDA bankrupt or insolvent, if such decree is continued undischarged and unstayed for a period of sixty (60) days.

- 11.02 Upon any breach by one party, the non-breaching party under the GRDA Agreement may, at its option:

- (a) continue performance and exercise such other rights and remedies as it may have in equity, at law or under the terms of the GRDA Agreement; or
- (b) terminate the GRDA Agreement by providing ten (10) days advance written notice to the breaching party. Termination of the GRDA Agreement shall not relieve either party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective. The non-breaching party may also exercise such other rights and remedies as it may have in equity, at law or under the terms of the GRDA Agreement.

- 11.03 In the event of a breach of the GRDA Agreement, the exercise of any remedy will correspondingly apply to this Agreement between KMEA and the City. In no event will



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

## **Article 12. DISPUTE RESOLUTION**

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



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

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

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

### **Article 13. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

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

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

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

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

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

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

#### **Article 14. MISCELLANEOUS**

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

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

For notice to KMEA:

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

Attention: General Manager

For notice to City:

City of Ottawa, Kansas  
101 S Hickory St.  
P.O. Box 60  
Ottawa, KS 66067

Attention: City Clerk

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

**CITY OF OTTAWA, KANSAS**

\_\_\_\_\_  
**Mayor**

**(Seal)**

**ATTEST:**

\_\_\_\_\_  
**City Clerk**

**KANSAS MUNICIPAL ENERGY AGENCY**

\_\_\_\_\_  
**Paul N. Mahlberg**  
**General Manager**

# **APPENDIX A**

## **Power Purchase and Sale Agreement**

**By and Between**

**Grand River Dam Authority**

**And**

**Kansas Municipal Energy Agency**

**(“GRDA Agreement”)**

**Appendix B**

**Capacity Billing Demand and Billing Energy**

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

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

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh)
June	12,000	12,000	12,000	8,640,000
July	12,000	12,000	12,000	8,928,000
August	12,000	12,000	12,000	8,928,000
September	12,000	12,000	12,000	8,640,000



**Appendix B (continued)**

**Capacity Billing Demand and Billing Energy**

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

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh)
October	9,000	9,000	12,000	6,696,000
November	9,000	9,000	12,000	6,480,000
December	9,000	9,000	12,000	6,696,000
January	9,000	9,000	12,000	6,696,000
February	9,000	9,000	12,000	6,048,000
March	9,000	9,000	12,000	6,696,000
April	9,000	9,000	12,000	6,480,000
May	9,000	9,000	12,000	6,696,000

Notes:

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

**RESOLUTION NO. \_\_\_\_\_**

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

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

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

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

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

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

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

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

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

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

**Section 2. Execution of the Power Purchase Agreement (Grand River Dam Authority Power Supply Project No. 2).** The Mayor and Clerk are hereby authorized to execute the Power Purchase Agreement (Grand River Dam Authority Power Supply Project No. 2) in substantially the form presented to the governing body this date, with such changes or additions as the Mayor and Clerk shall deem necessary and appropriate, such official's signature thereon being conclusive

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

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

**ADOPTED** by the governing body of the City and signed by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2025

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
City Clerk

**POWER PURCHASE AGREEMENT  
(GRAND RIVER DAM AUTHORITY POWER SUPPLY)**

This Power Purchase Agreement (the "Agreement") is dated as of the 11th day of May, 2005 by and between the City of Ottawa, Kansas, (the "City") and the Kansas Municipal Energy Agency ("KMEA") (collectively, the City and KMEA are referred to as the "Parties" or singularly as the "Party").

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

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

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

**WHEREAS**, the City has previously executed an agreement with KMEA to purchase power supplied through KMEA under a Contract for Electric Service between KMEA and the Grand River Dam Authority ("GRDA"), a governmental agency of the State of Oklahoma, dated as of January 19, 2000 (the "2000 Contract"); and

**WHEREAS**, KMEA has negotiated with GRDA on behalf of the City and other cities to purchase greater quantities of economical power and energy from GRDA and to extend the term of the purchases through April 30, 2026; and

**WHEREAS**, the City desires to purchase electricity from KMEA in the quantities set forth on *Appendix B* hereto, subject to the terms of this Agreement; and

**WHEREAS**, KMEA has or will contract with the Grand River Dam Authority ("GRDA") under a Power Purchase and Sale Agreement (the "GRDA Agreement") attached hereto as *Appendix A*; and

**WHEREAS**, KMEA will use commercially reasonable efforts to develop and maintain firm transmission service arrangements with third parties for delivery of the electric power and energy to the City's Delivery Point in sufficient amounts to comply with the contractual requirements set forth herein on or before May 1, 2006; provided, if such arrangements are not completed on or before that date, *Appendix B* to this Agreement will be modified in accordance with the terms of this Agreement and the 2000 Contract will be superseded and replaced;

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

**Article 1. DEFINITIONS**

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

- 1.01 *“Point(s) of Delivery”* shall mean any point at which GRDA delivers electric power and energy at the high side of the generation bus.
- 1.02 *“Service Commencement Date”* shall be on or after 12:00 a.m. CPT on the first day of May 2006, provided SPP has granted firm transmission arrangements to KMEA for the delivery of the electric power and energy purchased hereunder from the Point(s) of Delivery to KMEA’s loads in sufficient amounts to comply with the contractual requirements set forth herein, unless an earlier date is mutually agreed to by GRDA and KMEA in writing.
- 1.03 *“Term”* shall mean the period of time commencing on the Service Commencement Date and ending on the Termination Date.
- 1.04 *“Termination Date”* shall mean April 30, 2026, or such other date as the Parties may agree in writing, unless terminated earlier in accordance with Article 13 of the GRDA Agreement.

**Article 2. CONSTRUCTION**

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

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

2.02 **Construction of Terms.** The Parties to this Agreement acknowledge that each Party has participated in the drafting of this Agreement and agree that this Agreement shall not be interpreted against one Party or the other based upon who drafted it.

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

### **Article 3. SALE AND PURCHASE**

3.01 KMEA agrees to sell to the City, and the City agrees to purchase from KMEA, commencing on the Service Commencement Date and extending through the Term hereof, Firm Capacity and associated energy, in the quantities set forth on ***Appendix B*** to this Agreement and at the prices specified in ***Exhibit A*** to the GRDA Agreement for Capacity Billing Demand and Billing Energy as set forth therein and as may be amended by GRDA during the Term of the GRDA Agreement. KMEA's obligation to commence service hereunder is subject to KMEA receiving a duly executed agreement providing firm transmission service arrangements sufficient for delivery of the electric power and energy provided pursuant to this Agreement.

3.02 The monthly Capacity Billing Demand and monthly Billing Energy quantities shall, during the Term of this Agreement, be the amounts set forth in ***Appendix B*** to this Agreement.

3.03 The City agrees to receive all of the electric power and energy, which it is obligated to purchase under this Agreement, at the Point(s) of Delivery. The City agree to assume all liability whatsoever resulting directly, or indirectly, from the use, misuse, or presence of said electric power and energy from and after the Point(s) of Delivery. The City further agrees to assume its proportionate share of the obligations of KMEA to GRDA under the GRDA Agreement, attached hereto as ***Appendix A*** and incorporated herein by reference, all as may be amended from time to time.

**Article 4. PAYMENTS AND BILLING**

4.01 Each month the City will pay KMEA the City's allocated portion of all amounts to be paid by KMEA to GRDA under the GRDA Contract, including, without limitation:

- Basic Charge
- Capacity Charge, per Capacity Billing kW
- Energy Charge, per Billing kWh\*
- Taxes, Fees and Duties
- Administrative Fee as described in *Section 4.02* herein
- Transmission Fees as described in *Article 5* herein

\*This rate is subject to the Power Cost Adjustment set forth on Schedule PCA.

For current rates see **Schedule WP-OCA – Wholesale Power Service Outside Control Area** contained in *Exhibit A* to the GRDA Agreement.

The City acknowledges that the rates are subject to change by GRDA from time to time pursuant to 82 O.S.A. Section 861 *et seq.*, and the City will pay KMEA the rates as established by GRDA under the GRDA Agreement and Schedule WP-OCA. KMEA agrees to promptly communicate to the City any notice from GRDA on Schedule WP-OCA changes.

4.02 The City agrees to pay KMEA for approved budget amounts relating to the GRDA Power Supply Project. KMEA budgets are approved annually by KMEA's Board of Directors.

ESTIMATED KMEA CHARGE: 1 Mill per kWh

4.03 KMEA is required to pay GRDA either by mail or wire transfer by the due date shown on the bill from GRDA. A late payment fee of the greater of \$100.00 or 1.5% of the total past due amount shall be applied to the total past due amount. In order to permit the appropriate transfer of funds from KMEA to GRDA, KMEA will bill the City in advance for deliveries to be made in the following calendar month. KMEA will send the bill to the City by the 20<sup>th</sup> day of the preceding month, and the City must pay the invoiced amount within thirty (30) days of the date of the bill. If such due date falls on a Saturday, Sunday or holiday, the payment shall be due on the next business day following such Saturday, Sunday or holiday. If payment is not received by KMEA by the date specified in the invoice to the City, a **1% per month (annual percentage rate of 12%), late charge** shall be assessed on the full past due amount from the due date until the invoice is paid in full by the City.

4.04 In the event the City, acting in good faith, disagrees with the amount of a monthly bill, it shall notify KMEA in writing within eighty (80) days of receiving the bill from KMEA. If the dispute involves amounts billed by GRDA, KMEA will submit a written notice to GRDA contesting such portion of the monthly bill. KMEA is required to submit such written notices to GRDA within ninety (90) days of the date KMEA received the bill from GRDA. Failure of the City to send written notice to KMEA within the eighty-(80) day period shall constitute final agreement with the bill. The City agrees that in no event will it withhold payment to satisfy its disagreement with any bill submitted by KMEA. KMEA shall credit to the City its prorata portion of any refund plus accrued interest which is credited to KMEA's account by GRDA.



**Article 5. TRANSMISSION**

- 5.01 KMEA will use commercially reasonable efforts to develop and maintain firm transmission service arrangements with third parties for delivery of the electric power and energy to the City's delivery points in sufficient amounts to comply with the contractual requirements set forth in *Appendix B* to this Agreement. In the event such arrangements are not completed on or before May 1, 2006, the quantities set forth in *Appendix B* to this Agreement will be modified to provide the quantity for which firm transmission service arrangements have been granted.
- 5.02 The City will pay KMEA all the cost of the transmission services from and after the Point(s) of Delivery to the City's designated points. The City acknowledges that the charges for transmission services are subject to change by SPP or its successor, and the City will pay KMEA the rates as established by SPP, or its successor, as in effect from time to time.
- 5.03 Both parties acknowledge that the SPP is the current regional transmission organization and that during the term of this agreement, another organization may succeed the SPP. Due to the changing nature of the wholesale power market rules and regulations, any successor organization protocols and operating procedures shall, to the extent practical, be adopted for use by this Agreement.

**Article 6. INDEMNIFICATION OF KMEA**

- 6.01 The City agrees to take full responsibility for and to hold KMEA harmless from any charges related to the provision of any purchase of power or energy or the transmission thereof, for which KMEA has contracted for with GRDA.
- 6.02 The City assumes responsibility at the Point(s) of Delivery for the electric service to be delivered by GRDA as well as for the wires, apparatus and appurtenances used in connection therewith, located on its own side of the Point(s) of Delivery, and the parties acknowledge that the electric service supplied under the GRDA Agreement through this Agreement will become the property of the City after it passes the metering equipment of GRDA or other Point(s) of Delivery.
- 6.03 Neither KMEA nor the City shall be liable to the other for any special, indirect, and consequential or punitive damages, including loss of power, loss of product, or loss of revenue, howsoever caused.

**Article 7. FORCE MAJEURE AND CURTAILMENTS**

- 7.01 GRDA has committed to provide electric service continuously except for (a) interruptions due to Force Majeure, (b) in the event conditions occur which threaten the reliability to the Southwest Power Pool (SPP) Transmission System or the GRDA transmission system, or (c) curtailments by SPP or (d) GRDA curtailments under emergency procedures specified by SPP or NERC criteria. As soon as commercially reasonable, GRDA will give KMEA notice of such interruptions or reductions so as to cause the least amount of inconvenience to both Parties hereto, and KMEA will provide notice to the City. In case of impaired or defective service, the City shall immediately give notice by telephone to KMEA's system dispatcher. Such interruptions in service shall not constitute a breach of the Agreement by KMEA, and

KMEA shall not be liable to the City for any loss or damage arising from failure, interruption or suspension of service. The obligation of the City to make payments are not subject to delay or excuse by reason of Force Majeure or any other cause or event.

- 7.02 If, and whenever, the delivery of electric service is interrupted for a period or periods exceeding one hour in duration each, due to a fault of the facilities of GRDA or to the inability of GRDA to deliver, or KMEA to receive on behalf of the City, the monthly charge for Capacity Billing Demand for the month in which such interruption occurs shall be reduced in the ratio that the number of hours of such interruption bears to the total number of hours in such month. The City shall make written claim, within eighty (80) days after receiving the monthly bill for the month in which the interruption or interruptions occurred, for reduction of the amount due because of any such interruptions not reflected in such bill. Failure to make such written claim within said ninety (80) day period shall constitute a waiver thereof.
- 7.03 In case of impaired or defective service, the City shall immediately give notice by telephone to KMEA and the City will confirm such oral notice in writing within twenty-two (22) hours of such notice given by telephone.

**Article 8. SUSPENSION OF SERVICE FOR NONPAYMENT**

- 8.01 Whenever KMEA has failed to pay any monthly bill accruing under this Agreement on or before forty (40) days following the first day of the calendar month in which such monthly bill was received, GRDA may suspend providing electric power and energy upon giving written notice to KMEA of GRDA’s intention to do so, and GRDA shall not be liable to KMEA for any damages whether regular, special, punitive, consequential or otherwise for its discontinuance of delivery of such electric power and energy.
- 8.02 If the City, *or any other City who purchases electric power supplied by GRDA to KMEA under the Contract*, fails to pay KMEA within the time specified above, KMEA will be unable to pay GRDA in full. If GRDA discontinues electric service, in whole or in part, the electric service to all the Cities may be suspended. **KMEA SHALL NOT BE LIABLE TO ANY CITY FOR DAMAGES, WHETHER REGULAR, SPECIAL, PUNITIVE, CONSEQUENTIAL OR OTHERWISE, FOR ANY SUSPENSION OF SERVICE.**

**Article 9. RESALE RESTRICTIONS ON PRIVATE BUSINESS USE**

- 9.01 The City represents and warrants to KMEA that it will not sell in excess of seven percent (7%) of any capacity or energy sold by KMEA to the City under this Agreement in any manner that would cause such sale to result in any facility of GRDA being deemed to be used for a private business use under the Internal Revenue Code of 1986 and the regulations promulgated thereunder. To that end, the City covenants not to make any resale in excess of seven percent (7%) of capacity or energy sold by KMEA to the City under this Agreement to a purchaser for use or resale by such purchaser, if it would obligate a purchaser to make payments that are not contingent on the output requirements of the purchaser (including but not limited to minimum demand charges) or obligate the purchaser to have output requirement resales that require the purchaser to pay reasonable and customary damages (including liquidated damages) in the event of a default, or to pay a specified amount to terminate the contract or arrangement with the City while the purchaser has requirements, in each case if the amount of the payment is

reasonably related to the purchaser's obligations to buy requirements that is discharged by the payment.

- 9.02 The City shall confirm to GRDA at least annually by December 1 that no resales have been made of the capacity and energy sold by KMEA to the City under this Agreement other than in compliance with *Section 9.01*. Nothing contained in *Section 9.01* shall affect the ability of the City to make resales to any persons under any conditions if and to the extent such resales are made from resources other than the capacity or energy sold to the City by KMEA under this Agreement.

**Article 10. BREACH OF GRDA AGREEMENT AND REMEDIES**

- 10.01 The City acknowledges that each of the following constitutes a breach of the GRDA Agreement:

- (a) the failure of KMEA to pay any amount that is past due if such failure is not remedied within three (3) business days after receiving written notice from GRDA;
- (b) the failure of KMEA or GRDA to comply with any material term or condition of the GRDA Agreement which is not corrected within a commercially reasonable period of time;
- (c) the failure of KMEA to provide the documentation as to creditworthiness of KMEA, as described in Section 7.05 of the GRDA Agreement, and the failure of KMEA to provide documentation as to compliance with the provisions of Section 15.07 of the GRDA Agreement relating to resales of energy and capacity that constitute private business use;
- (d) the filing by KMEA or GRDA of a voluntary petition in bankruptcy under any provision of any federal or state law; or
- (e) the entry of a decree adjudicating KMEA or GRDA bankrupt or insolvent, if such decree is continued undischarged and unstayed for a period of sixty (60) days.

- 10.02 Upon any breach by one party, the non-breaching party under the GRDA Agreement may, at its option:

- (a) continue performance and exercise such other rights and remedies as it may have in equity, at law or under the terms of the GRDA Agreement; or
- (b) terminate the GRDA Agreement by providing ten (10) days advance written notice to the breaching party. Termination of the GRDA Agreement shall not relieve either party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective. The non-breaching party may also exercise such other rights and remedies as it may have in equity, at law or under the terms of the GRDA Agreement.

- 10.03 In the event of a breach of the GRDA Agreement, the exercise of any remedy will correspondingly apply to this Agreement between KMEA and the City. In no event will KMEA be liable to the City under this Agreement, or under any cause of action relating to the subject matter of this Agreement, for any special, indirect, incidental, punitive, exemplary or

consequential damages, including but not limited to loss of profits or revenues, loss of use of any property, cost of substitute equipment, facilities, or services, downtime costs or claims of third parties for such damages. This provision shall survive termination of this Agreement.

**Article 11. MISCELLANEOUS**

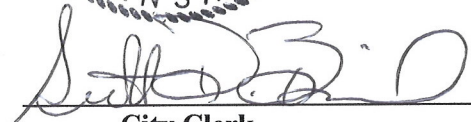
- 11.01 This Agreement shall be binding upon and inure to the benefit of the successor, legal representative, and assignees of the respective Parties but is not assignable by either Party without the express written consent of the other Party. No assignment of this Agreement shall relieve the assignor of its obligations hereunder.
- 11.02 This Agreement shall in all respects be subject to the rules, regulations and orders of all governmental authorities having jurisdiction of the subject matter hereof, and subject to the rules and regulations as may be applied to the Parties by such governmental authorities.
- 11.03 This Agreement may be amended from time to time by mutual agreement of KMEA and the City; provided, however, that any such amendment must have the approval, in writing, of the governing boards of each of the Parties.
- 11.04 This Agreement, together with the Appendices attached hereto and made a part hereof, constitutes the entire agreement between KMEA and the City regarding the subject matter hereof, and supersedes any and all previous or contemporaneous understandings between KMEA and the City, whether written or oral.
- 11.05 Upon the Service Commencement Date, this Agreement is intended to supersede, negate, and cancel the existing contract between the Parties relating to the 2000 Contract, however, the termination of the existing contract shall not discharge either party hereto from any obligation it owes to the other party under the existing contract by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events, or basis of which shall occur or arise) prior to such termination.
- 11.06 To the extent any provision of this Agreement is held unenforceable or invalid under applicable law, such invalidity shall not affect any other provisions of this Agreement which can be given effect without the invalid provisions and, to this end, the provisions hereof are severable.

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


CITY OF OTTAWA, KANSAS



  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
City Clerk

KANSAS MUNICIPAL ENERGY AGENCY

  
\_\_\_\_\_  
James R. Widener  
General Manager

**Appendix B**

**Capacity Billing Demand and Billing Energy**

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

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

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh)
June	12,000	12,000	12,000	8,640,000
July	12,000	12,000	12,000	8,928,000
August	12,000	12,000	12,000	8,928,000
September	12,000	12,000	12,000	8,640,000

**Appendix B (continued)**

**Capacity Billing Demand and Billing Energy**

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

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh)
October	9,000	9,000	12,000	6,705,000
November	9,000	9,000	12,000	6,480,000
December	9,000	9,000	12,000	6,696,000
January	9,000	9,000	12,000	6,696,000
February	9,000	9,000	12,000	6,048,000
March	9,000	9,000	12,000	6,696,000
April	9,000	9,000	12,000	6,471,00
May	9,000	9,000	12,000	6,696,000

Notes:

1. The Billing Energy is calculated by multiplying the Capacity Billing Demand times the number of hours in the applicable month (a 100% monthly load factor).
2. The number of hours in October is 745 to reflect the change from daylight savings time to standard time.
3. The number of hours in April is 719 to reflect the change from standard time to daylight savings time.
4. For leap years, the number of hours in February is 696.



**ORIGINAL**

**POWER PURCHASE AND SALE AGREEMENT**

**By and Between**

**GRAND RIVER DAM AUTHORITY**

**And**

**KANSAS MUNICIPAL ENERGY AGENCY**

**Effective as of**

**May 11, 2005**



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## POWER PURCHASE AND SALE AGREEMENT

This Power Purchase and Sale Agreement, together with the exhibits hereto (this “Agreement”) is made and entered into on this 11<sup>th</sup> day of May, 2005 (the “Effective Date”), between **GRAND RIVER DAM AUTHORITY**, a governmental agency of the State of Oklahoma, body politic and corporate, created and existing under the laws of the State of Oklahoma, including particularly Title 82, Oklahoma Statutes, Sections 861 et seq. (the “Grand River Dam Authority Act”, or the “Act”), hereinafter referred to as “GRDA”, and the **KANSAS MUNICIPAL ENERGY AGENCY**, a legally constituted municipal energy agency and quasi-municipal corporation duly created, organized, and existing under and by virtue of the laws of the State of Kansas, including particularly K.S.A. 12-885 to 12-8,111, inclusive as amended and supplemented, hereinafter referred to as “KMEA” and "Customer" (hereinafter each referred to individually as a “Party” and collectively as the “Parties”).

### WITNESSETH:

WHEREAS, GRDA was created by the Act as a conservation and reclamation district with powers of government to function in competition with private industry within the competitive electric power market and with the authority to exercise certain rights, privileges and functions, including preservation and distribution of the waters of the Grand River and its tributaries, for irrigation, power generation, and other useful purposes and the conservation and development of hydroelectric and other sources of electric energy, from whatever source derived, in the State of Oklahoma; and

WHEREAS, KMEA was created for the purpose of supplying economical electric power and energy to certain municipal electric utility systems in the State of Kansas that are members of KMEA; and

WHEREAS, GRDA desires to sell and furnish to KMEA, and KMEA desires to purchase and receive from GRDA, electric power and energy for resale by KMEA to certain participating municipal electric utility system members; and

WHEREAS, Oklahoma statutes provide all contracts may contain such reasonable provisions, limitations, qualifications, protective clauses and rights and obligations of purchase and sale, and such provisions for the dedication of the use of facilities and the construction of additional facilities to serve the load requirements of all the parties as may be deemed advisable by the District (GRDA) to safeguard the business and properties of all the parties to such contracts, all within the limits of sound business judgment and practice, good conscience, and not contrary to the public policy of the state; and

WHEREAS, GRDA shall generate and purchase electric power and energy for delivery to KMEA in accordance with the business functions of GRDA as authorized by law, and may enter into contracts for such purposes, including, without limitation, the purchase of electric power and energy from other entities and the ownership of generation and transmission facilities or any interest therein or right to the output or use thereof; and

WHEREAS, KMEA shall use commercially reasonable efforts to develop and maintain firm transmission service arrangements with third parties for delivery of the electric power and energy purchased hereunder from the Points of Delivery (as hereinafter defined) to KMEA's loads in sufficient amounts to comply with the contractual requirements set forth herein; and

WHEREAS, the execution of this Agreement contains such reasonable provisions, limitations, qualifications, protective clauses and rights and obligations for the sale and purchase of electric power and energy as provided herein, and such other provisions as may be deemed advisable by the Parties to safeguard the business and properties of the Parties, all within the limits of sound business judgment and practice, good conscience and not contrary to the public policy of the States of Oklahoma and Kansas;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the Parties as follows:

**Article 1.        DEFINITIONS**

For purposes of this Agreement, the definitions set forth in this Article 1 shall apply unless the context clearly indicates otherwise. All capitalized terms used in this Agreement that are not defined herein shall have the definitions set forth elsewhere herein. Words, phrases or expressions used in this Agreement which are not capitalized terms or otherwise defined herein, and which have an accepted meaning in the custom and usage of the business of buying, selling, generating, delivering, and transmitting electrical capacity, energy or ancillary services or have an accepted meaning according to the North American Electric Reliability Council, hereinafter referred to as NERC, shall have that meaning.

1.01        *"Ancillary Services"* shall have the meaning ascribed to that term in the SPP Transmission Tariff.

1.02        *"Billing Energy"* shall mean, for a month, the amount of energy, in kWh, associated with the Firm Capacity scheduled as set forth in Exhibit B for the applicable month.

- 1.03      “*Business Day*” shall mean any day on which Federal Reserve member banks in New York City, New York are open for business provided, however, that a Business Day shall begin at 8:00 am and shall end at 5:00 pm CPT.
- 1.04      “*Capacity Billing Demand*” shall mean, for the months of June through September, the amount of Nominal Capacity Billing Demand, scheduled in kW, set forth in Exhibit B for the applicable month. For the months of October through May, the Capacity Billing Demand shall be the Nominal Capacity Billing Demand, unless revised by written notice from KMEA to GRDA provided by the first day of the preceding month to a quantity not less than the Minimum Capacity Billing Demand nor greater than the Maximum Capacity Billing Demand set forth in Exhibit B.
- 1.05      “*Capacity Margin*” shall have the meaning ascribed to that term in the SPP Criteria.
- 1.06      “*CPT*” shall mean Central Prevailing Time as observed in Tulsa, Oklahoma, and which shall be either Central Standard Time or Central Daylight Savings Time, as applicable.
- 1.07      “*Firm Capacity*” shall mean capacity supplied by GRDA from any resource available to it and subject to curtailment only in accordance with Article 3.05 and 3.06,
- 1.08      “*Firm Power*” shall have the meaning ascribed to that term in the SPP Criteria.
- 1.09      “*Force Majeure*” shall mean any cause beyond the control of the affected Party, including, but not limited to, failure of facilities or water supply, flood, earthquake, storm, lightning, fire, epidemic, war, riot, terrorist activities, civil disturbance, labor disturbance, sabotage, or an event or circumstance which prevents performance of the affected Party’s obligations under this Agreement, which event could not have been reasonably anticipated, which is not within the reasonable control of, or the result of the negligence of the affected Party and which, by exercise of due diligence, the affected Party is unable to overcome or avoid or cause to be overcome or avoided. Market factors are not considered *Force Majeure*.
- 1.10      “*Network Resource*” shall have the meaning ascribed to that term in the SPP Transmission Tariff.
- 1.11      “*Participating Member(s)*” shall mean the KMEA members receiving capacity and energy pursuant to this agreement as listed in Exhibit C, as amended from time to time with GRDA written approval, each of which owns and operates an electric utility system in the State of Kansas and is party to an agreement with KMEA under which KMEA sells electric power and energy to the Participating Member for resale by the Participating Member to its retail

customers; provided that a new member of KMEA shall be a Participating Member only with the written approval of GRDA in its sole discretion.

- 1.12     “*Point(s) of Delivery*” shall mean any point at which GRDA delivers electric power and energy at the high side of any generation bus.
  
- 1.13     “*Rate Schedule*” shall mean the rate schedule(s) adopted by GRDA that set forth the applicable charges for electric power and energy delivered to CUSTOMER pursuant to this Agreement, as such rate schedule(s) may be changed during the term of this Agreement by GRDA and shall include any riders, adjustment factors and additional rate schedules that may be referenced in any Rate Schedule. The applicable Rate Schedule in effect on the date of execution of this Agreement is Schedule WP – Wholesale Power Service, Rider PF – Power Factor Adjustment, and Schedule PCA – Power Cost Adjustment, as included in Exhibit A hereto.
  
- 1.14     “*Service Commencement Date*” shall be on or after 12:00 a.m. CPT on the first day of May 2006, provided SPP has granted firm transmission arrangements to KMEA for the delivery of the electric power and energy purchased hereunder from the Point(s) of Delivery to KMEA’s loads in sufficient amounts to comply with the contractual requirements set forth herein, unless an earlier date is mutually agreed to by GRDA and KMEA in writing.
  
- 1.15     “*Southwest Power Pool*” or “*SPP*” shall mean Southwest Power Pool, Inc, or its successor.
  
- 1.16     “*SPP Criteria*” shall mean that document currently titled “Southwest Power Pool Criteria” issued, maintained, and as amended by the Southwest Power Pool.
  
- 1.17     “*SPP Protocols*” shall mean that document currently titled “Southwest Power Pool Market Protocols” issued, maintained, and as amended by the Southwest Power Pool or its successor.
  
- 1.18     “*SPP Transmission System*” shall mean the collective transmission facilities that are made available for use by customers under SPP Transmission Tariffs.
  
- 1.19     “*SPP Transmission Tariff*” shall mean the Open Access Transmission Tariff for Service Offered by Southwest Power Pool as may be in effect from time to time.
  
- 1.20     “*Term*” shall mean the period of time commencing on the Service Commencement Date and ending on the Termination Date.
  
- 1.21     “*Termination Date*” shall mean April 30, 2026, or such other date as the Parties may agree in writing in accordance with Article 11, unless terminated earlier in accordance with Article 13.

1.22 “*Transmission Service*” shall have the meaning ascribed to that term in the SPP Transmission Tariff.

## Article 2. CONSTRUCTION

2.01 **Interpretation.** Unless the context otherwise requires:

- (a) Words singular and plural in number shall be deemed to include the other and pronouns having masculine or feminine gender shall be deemed to include the other.
- (b) Subject to Article 14, any reference in this Agreement to any entity or governmental authority, shall include its successors and assigns and, any entity(ies) succeeding to its functions, authority, and capacities.
- (c) Any reference in this Agreement to any section, subsection, attachment, article, schedule, or exhibit means and refers to the section or article contained in, or attachment, schedule, or exhibit attached to, this Agreement. All attachments, schedules, and exhibits referred to herein are hereby incorporated by reference.
- (d) Other grammatical forms of defined words or phrases have corresponding meanings.
- (e) A reference to writing includes typewriting, printing, lithography, photography, and any other mode of representing or reproducing words, figures, or symbols in a lasting and visible form, including writing communicated electronically.
- (f) A reference to a specific time for the performance of an obligation is a reference to that time in the place where that obligation is to be performed unless the text indicates otherwise.
- (g) Subject to Article 14, any reference to a Party includes that Party’s successors and permitted assignees.
- (h) A reference to a document or agreement, including this Agreement, includes a reference to that document or agreement (including any attachments, schedules, and exhibits thereto) as notated, amended, supplemented, or restated from time to time.

- (i) Unless otherwise expressly provided herein, any consent, acceptance, satisfaction, cooperation, or approval required of a Party under this Agreement shall not be unreasonably withheld or delayed.
- (j) Unless otherwise expressly provided herein, “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term.
- (k) The words “hereof,” “herein,” “hereunder,” and other words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

2.02 **Construction of Terms.** The Parties to this Agreement acknowledge that each Party has participated in the drafting of this Agreement and agree that this Agreement shall not be interpreted against one Party or the other based upon who drafted it.

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

### Article 3. SALE AND PURCHASE

3.01 GRDA hereby agrees to sell to KMEA, and KMEA hereby agrees to purchase from GRDA, commencing on the Service Commencement Date and extending through the Term hereof, Firm Capacity and associated energy, which KMEA shall utilize for the resale to the Participating Members, at the rates and under the terms and conditions specified herein, including the terms and conditions specified in the Rate Schedule.

3.02 The monthly Capacity Billing Demand and monthly Billing Energy quantities shall, during the Term of this Agreement, be the amounts set forth in Exhibit B.

3.03 The electric power and energy supplied hereunder will be delivered as three-phase current at a frequency of approximately 60 Hertz.

3.04 GRDA shall, throughout the Term of this Agreement, report the Capacity Billing Demand as an adjustment to the rated capability of its generating facilities and purchases for purposes of the SPP Criteria. GRDA shall provide the Capacity Margin required in accordance with the SPP Criteria for the amount of Capacity Billing Demand that is provided pursuant to this Agreement.



- 3.05 The delivery of the Firm Capacity and associated energy to the Points of Delivery may only be restricted by GRDA (i) due to Force Majeure as provided in Article 9, or (ii) in the event conditions occur which threaten the reliability to the SPP Transmission System or the GRDA transmission system, or (iii) in the event that the associated energy schedule is curtailed by the Southwest Power Pool, or GRDA under emergency procedures pursuant to NERC criteria. In the event that GRDA curtails deliveries to its Firm Power customers, GRDA may curtail deliveries of the Firm Capacity and associated energy to KMEA. In the event of Force Majeure, GRDA shall notify KMEA's office as soon as commercially practicable (in accordance with industry standard operating procedures for dispatch communications) of the amount of energy it is unable to deliver in each hour, the reason(s) it is unable to deliver the energy, and the expected duration of the Force Majeure. Upon receiving notice that the Southwest Power Pool requires curtailment of the energy schedule, the Parties shall follow the curtailment instructions provided by the Southwest Power Pool. The Parties shall also follow the instructions specified in the NERC criteria for emergency curtailments.
- 3.06 KMEA is relieved of its obligation to receive the power and energy provided under this Agreement only to the extent that KMEA is unable to receive the energy due to Force Majeure as defined in Article 9 or in the event the associated energy schedule is curtailed by the Southwest Power Pool. In the event of Force Majeure, KMEA shall notify GRDA's dispatch office as soon as commercially practicable (in accordance with industry standard operating procedures for dispatch communications) of the amount of energy it is unable to receive in each hour, the reason(s) it is unable to receive the energy, and the expected duration of the Force Majeure. Upon receiving notice that the Southwest Power Pool requires curtailment of the energy schedule, the Parties shall follow the curtailment instructions provided by the Southwest Power Pool.
- 3.07 Subject to the terms and conditions in this Agreement, KMEA hereby commits itself to receive all of the electric power and energy, which it is obligated to purchase under this Agreement, at the Point(s) of Delivery, and GRDA hereby commits itself to deliver all of the electric power and energy, which it is obligated to deliver under this Agreement, at the Point(s) of Delivery.
- 3.08 The electric power and energy supplied under this Agreement is supplied under the express condition that before it passes the Point(s) of Delivery, it is the sole property of GRDA, and after it passes the Point(s) of Delivery, it becomes the sole property of KMEA. Each Party shall be severally liable only for its own acts and not jointly or severally liable for the acts, omissions, or obligations of others, including any loss or damage to any person or property whatsoever resulting directly, or indirectly, from the use, misuse, or presence of said electric power and



energy on the SPP Transmission System, in the facilities of GRDA or the facilities of KMEA or a Participating Member.

**Article 4. TRANSMISSION SERVICE AND THIRD PARTY CHARGES**

4.01

- (a) GRDA assumes full responsibility for all arrangements and associated costs for delivery of power and energy supplied hereunder to the Point(s) of Delivery.
- (b) KMEA assumes full responsibility for all arrangements and associated costs for delivery of power and energy supplied hereunder from and after the Point(s) of Delivery to KMEA's loads.

4.02

KMEA represents that it will use commercially reasonable efforts to secure firm transmission service in accordance with the SPP Transmission Tariff. KMEA shall seek to have the Firm Capacity and associated energy supplied by GRDA hereunder designated as a Network Resource in accordance with the SPP Transmission Tariff, and to maintain such designation throughout the Term. GRDA shall reasonably cooperate with KMEA in seeking such designation. Notwithstanding the foregoing, KMEA shall be solely responsible for any costs, scheduling limitations, curtailments, or other adverse effects of SPP's failure to designate the Firm Capacity and associated energy as a Network Resource at any time.

4.03

KMEA is solely responsible for any charges assessed by a third party (including charges for Ancillary Services assessed by SPP) in connection with the supply and delivery of power and energy supplied hereunder and in connection with service to its loads. GRDA assumes no obligation to supply Ancillary Services to KMEA under this Agreement.

4.04

GRDA's obligation to commence service hereunder is subject to receipt of a copy of KMEA's duly executed agreement providing firm transmission service arrangements sufficient for delivery of the electric power and energy provided pursuant to this Agreement. KMEA shall use all commercially reasonable efforts to maintain firm transmission service arrangements for delivery of the firm capacity and energy supplied hereunder (shown in Exhibit B) for the term of this agreement.

4.05

In the event, KMEA is unable, after using commercially reasonable efforts, to execute firm transmission service arrangements for an amount sufficient for full deliveries pursuant to

Exhibit B, Exhibit B shall be modified to reflect the amount of firm transmission approved. GRDA will continue to deliver the quantities specified in the contract dated the 19<sup>th</sup> day of January, 2000 until the Service Commencement Date.

**Article 5. SCHEDULING**

- 5.01 Power and energy shall be delivered by GRDA to the Point(s) of Delivery in accordance with hourly schedules provided by KMEA or by KMEA's nominated scheduling agent. Effective on the Service Commencement Date, the hourly schedules for Firm Capacity and associated energy shall be in an amount greater than or equal to the minimum Capacity Billing Demand and less than or equal to the maximum Capacity Billing Demand for the applicable month shown on Exhibit B. The hourly schedules shall be submitted to GRDA's system dispatchers not later than 10:00 a.m., CPT, the first of the preceding month for which the schedule has been submitted, or on such other advance notice on which GRDA and KMEA shall agree. Each Party shall be responsible for complying with the SPP Protocols, including those portions related to scheduling.
- 5.02 Hourly schedules shall be for each clock hour of each calendar day. Each hour shall be the antecedent sixty (60) minutes ending with the designated clock hour. Hourly schedules shall be expressed in megawatts per hour in increments of one (1) megawatt.

**Article 6. RATES**

- 6.01 Effective on January 1, 2006 or the Service Commencement Date if earlier than January 1, 2006, KMEA shall pay GRDA monthly for the Capacity Billing Demand and Billing Energy as specified in Section 3.02 hereof at the rate or rates and on the terms and conditions set forth in the Rate Schedule(s) attached as Exhibit A.
- 6.02 Effective on January 1, 2006 or the Service Commencement Date if earlier than January 1, 2006, the minimum monthly charge shall be the Capacity Billing Demand as specified in Section 3.02 hereof multiplied by the capacity charge(s) set forth in the Rate Schedules identified in Exhibit A, plus the Minimum Billing Energy in Exhibit B multiplied by the energy charge(s) set forth in the Rate Schedule identified in Exhibit A.

6.03 GRDA is required, pursuant to the provisions of Oklahoma Statutes, Title 82, Section 868, to, at all times, maintain rates that are sufficient to produce revenues adequate to fulfill the obligations of GRDA to pay all maintenance and operation expenses, interest and principal of all bonds, sinking fund and/or reserve fund payments agreed to be made in respect of any such bonds, and any other obligations or agreements made with the holders of such bonds and/or with any person in their behalf. Therefore, GRDA's Rate Schedules, including those incorporated in this agreement, may be changed during the Term of this agreement, as approved by GRDA's Board of Directors to produce adequate revenues, as stated herein. However, GRDA hereby covenants and agrees that during the Term of this Agreement, neither GRDA nor its successors or assigns shall adopt or charge rates applicable to KMEA in excess of those provided for in 82 O.S. Sec. 868 as stated therein on March 1, 2005. Any change in the Rate Schedule will be applied to all GRDA customers served under the same rate schedule in a reasonable and not unduly discriminatory manner. To the extent commercially practicable, GRDA will provide KMEA at least sixty (60) days advance written notice of any change in the Rate Schedule.

**Article 7. BILLING AND PAYMENTS**

7.01 If KMEA, acting in good faith, disputes the amount of a monthly bill, it shall notify GRDA in writing within ninety (90) days after issuance of said monthly bill. KMEA agrees that in no event will it withhold payment of the disputed amount as a result of its disagreement with any bill submitted for payment by GRDA. Failure to provide such written notice within said ninety (90) day period shall constitute a waiver thereof. Monthly bills become final and no longer subject to dispute ninety (90) days after issuance by GRDA. Any refunds shall accrue interest at the current U.S. Treasury ninety (90) day discount auction rate and shall be credited to KMEA's account the month following the determination of the refund.

7.02 KMEA shall pay by U.S. mail, Automated Clearinghouse (ACH) transfer, or wire transfer for all charges for electric power and energy within twenty (20) days of receipt of the monthly bill, but in no case later than the twenty-fourth (24th) day of the month following the month of service covered by the monthly bill. If KMEA desires to begin using Automated Clearinghouse (ACH) transfer or wire transfer as the preferred method of payment, it shall so notify GRDA as least thirty (30) days in advance of the first payment to be made by such preferred method, and GRDA shall within five (5) days thereafter provide KMEA the necessary account information.

- 7.03 Payment shall be made by KMEA in a manner to allow funds to be available to GRDA upon presentation. Credit on the books of GRDA will not be made until such funds are actually available to GRDA through normal bank clearing channels, and any delays of such availability may result in a late payment charge imposed on KMEA. Payments hereunder are not deemed to have been received until credited on GRDA's books.
- 7.04 If GRDA does not receive payment by the twenty-fourth (24th) day of the month following the month of service on the monthly bill, GRDA may assess a late payment charge as provided in the applicable Rate Schedules on the full past-due amount and such late payment charge shall continue to accrue on said past-due amount until the same is paid in full.
- 7.05 Should GRDA, in its sole discretion, have reasonable grounds to believe that the creditworthiness of KMEA may be questionable and KMEA's ability to fulfill its obligation to pay under this Agreement may be in jeopardy, GRDA may, by written notice, require the KMEA to provide commercially reasonable performance assurance, to the extent permitted under the laws of the state of Kansas, in a form acceptable to GRDA. Failure to comply within ten (10) business days following receipt of such notice by GRDA of the need for commercially reasonable performance assurance to satisfy such requirement shall constitute a breach of this Agreement and allow GRDA to exercise its option to continue performance or terminate this Agreement as provided in Article 13.
- 7.06 KMEA's obligations under this Article 7 are not subject to delay or excuse by reason of Force Majeure or any other cause or event not within the reasonable control of GRDA.

#### **Article 8. CONTINUITY OF SERVICE**

- 8.01 GRDA shall endeavor to make the Firm Capacity and associated energy contracted for hereunder available continuously at the Point(s) of Delivery, except for (a) interruptions caused by Force Majeure, (b) curtailments by the Southwest Power Pool, or (c) GRDA curtailments under emergency procedures specified by SPP or NERC criteria. As soon as commercially reasonable, GRDA will give KMEA notice of such interruptions or reductions so as to cause the least amount of inconvenience to both Parties hereto. Notwithstanding the foregoing, in no event shall GRDA be liable to KMEA or its Participating Members for loss or damage arising from failure, interruption or suspension of service due to one of the exceptions stated in this Section 8.01. GRDA reserves the right to suspend service due to one of the exceptions stated in this Section 8.01, without liability on its part at such times and for such periods and in such manner as it may

deem advisable, including suspensions for the purpose of making necessary adjustments to, changes in, or repairs on, its lines, substations and facilities, and suspensions where, in its opinion, the continuation of service to KMEA would endanger persons or property.

8.02 Both GRDA and KMEA shall exercise due diligence, reasonable care and foresight to maintain continuity of service in the delivery and receipt of Firm Capacity and associated energy as provided for in this Agreement, but shall not be considered to have failed in said obligation by reason of any Force Majeure event or Southwest Power Pool curtailment or curtailment by GRDA under emergency procedures specified by SPP or NERC criteria. Such temporary interruptions or reductions in service shall not constitute a breach of contract on the part of GRDA, and GRDA shall not be liable to KMEA for damages resulting therefrom. In case of impaired or defective service, KMEA shall immediately give notice by telephone to GRDA's system dispatcher confirming such oral notice in writing within twenty-four (24) hours of such notice given by telephone.

8.03 If, and whenever, the delivery of Firm Capacity and associated energy hereunder shall be interrupted for a period exceeding one (1) hour in duration, due to a fault of the facilities of GRDA, a Force Majeure, or a curtailment by SPP, the monthly charge for Capacity Billing Demand for the month in which such interruption occurs shall be reduced in the ratio that the number of hours of such interruption bears to the total number of hours in such month. KMEA shall make written claim, within ninety (90) days after receiving the monthly bill for the month in which the interruption or interruptions occurred, for reduction of the amount due because of any such interruptions not reflected in such bill. Failure to make such written claim within said ninety (90) day period shall constitute a waiver thereof.

**Article 9. FORCE MAJEURE**

9.01 To the extent either GRDA or KMEA is prevented by Force Majeure from carrying out, in whole or in part, its obligations under this Agreement and either GRDA or KMEA gives notice and details of the Force Majeure event to the other as soon as practicable, then neither shall be considered to be in default; provided, however, the obligation to make payments shall not be affected for payments then due or becoming due with respect to performance of the Agreement prior to the occurrence of the Force Majeure event.

9.02 The Force Majeure event shall be remedied with all reasonable dispatch and both parties shall exercise diligence to accomplish restoration of service as soon as practicable.

**Article 10. SUSPENSION OF SERVICE**

- 10.01 Whenever KMEA has failed to pay any monthly bill accruing under this Agreement on or before forty (40) days following the first day of the calendar month in which such monthly bill was received pursuant to the terms set forth in Article 7, GRDA may suspend providing electric power and energy upon giving written notice to KMEA of GRDA's intention to do so, and GRDA shall not be liable to KMEA for any damages whether regular, special, punitive, consequential or otherwise for its discontinuance of delivery of such electric power and energy.

**Article 11. CONTRACT TERM AND TERM EXTENSION PROVISIONS**

- 11.01 Service under this Agreement shall commence on the Service Commencement Date, and shall continue in effect through the Termination Date.
- 11.02 The Term may be extended only by mutual written agreement of the Parties. If KMEA desires a contract extension, KMEA must notify GRDA prior to April 30, 2021. GRDA may, at its sole discretion, agree or refuse to extend the Term. In the absence of a written agreement to the contrary, KMEA agrees that it will not claim that it has relied on an extension of this Agreement as grounds for not terminating this agreement.

**Article 12. INVESTMENT PARTICIPATION**

- 12.01 At GRDA's sole discretion, KMEA may be provided the opportunity to participate in future generation and transmission facilities initiated by GRDA.
- 12.02 The successful execution of an Investment Participation agreement may allow for the mutual agreement to change the demand and energy quantities in Exhibit B of this Agreement for the remaining Term.

**Article 13. BREACH OF AGREEMENT AND REMEDIES**

- 13.01 Each of the following shall constitute a breach of this Agreement:

- (a) the failure of KMEA to pay any amount that is past due if such failure is not remedied within three (3) business days after receiving written notice from GRDA;
- (b) the failure of either party to comply with any material term or condition of this Agreement which is not corrected within a commercially reasonable period of time;
- (c) the failure of customer to provide the documentation as provided in Section 7.05 and Section 15.07;
- (d) the filing by KMEA or GRDA of a voluntary petition in bankruptcy under any provision of any federal or state law; or
- (e) the entry of a decree adjudicating KMEA or GRDA bankrupt or insolvent, if such decree is continued undischarged and unstayed for a period of sixty (60) days.

13.02 Upon any breach by one party, the non-breaching party may, at its option:

- (a) continue performance and exercise such other rights and remedies as it may have in equity, at law or under the terms of this Agreement; or
- (b) terminate this Agreement in accordance with Article 13 and exercise such other rights and remedies as it may have in equity, at law or under the terms of this Agreement.

13.03 If a party is deemed to be in breach as described in Article 13.01, the non-breaching party may terminate this Agreement by providing ten (10) days advance written notice to the breaching party. Termination of this Agreement shall not relieve either party of any of its liabilities and obligations arising hereunder prior to the date termination becomes effective.

13.04 The non-breaching party may waive its rights with respect to a breach but such waiver shall not be deemed to be a waiver with respect to any previous or subsequent breach or matter. No written waiver shall be construed as a waiver of any other breach whether or not similar to the breach waived, nor shall it be construed as a continuing waiver of any other right or breach. The non-breaching party's failure to insist in any one or more instances upon the strict performance of any of the provisions of this Agreement, or to exercise any right herein, shall not be construed as a waiver or relinquishment for the future of such strict performance of such provisions or the exercise of such right. Delay by the non-breaching party in enforcing its rights under this Agreement shall not be deemed a waiver of such rights.

13.05 Exercise of the right of termination as described in Sections 13.02 and 13.03 shall not serve to limit any rights under law or equity that the non-breaching party may have, including, but not



limited to, the recovery of court costs and attorney fees incurred by non-breaching party in the course of enforcement of its rights under this Agreement. The non-breaching party, however, has the obligation to mitigate damages in the event of a default. This provision shall survive termination of this Agreement.

- 13.06 Except as otherwise provided in this Agreement, in no event will the non-breaching party be liable under this Agreement, or under any cause of action relating to the subject matter of this Agreement, for any special, indirect, incidental, punitive, exemplary or consequential damages, including but not limited to loss of profits or revenues, loss of use of any property, cost of substitute equipment, facilities, or services, downtime costs or claims of third parties for such damages. This provision shall survive termination of this Agreement.

**Article 14. NOTICE, ASSIGNMENT, AND AMENDMENT**

- 14.01 Notices and communications shall be delivered to:

Chief Executive Officer  
Grand River Dam Authority,  
Administrative Headquarters,  
226 W. Dwain Willis Ave.  
P.O. Box 409,  
Vinita, Oklahoma 74301-0409

Telephone (918-256-5545)

by: United States mail, overnight courier service, or facsimile (918-256-2333).

- 14.02 Notice to GRDA Dispatcher as required:

Superintendent of Transmission Operations,  
PO Box 772,  
Locust Grove, OK 74352

Phone: 918-825-1053

by: United States mail, overnight courier service,  
or facsimile (918-825-1053 ext. 1353).

- 14.03 Payment of monthly billing or other charges or assessments by United States mail shall be delivered to:

Grand River Dam Authority  
Dept 2110  
Tulsa, Oklahoma 74182



- 14.04 Payment of monthly billing or other charges or assessments using Automated Clearinghouse (ACH) transfer or wire transfer may be arranged by requesting appropriate account information necessary to perform these transactions which GRDA shall provide.
- 14.05 Notices, billings and communications to KMEA shall be delivered to:
- General Manager,  
Kansas Municipal Energy Agency,  
6330 Lamar Avenue, Ste. 110  
Overland Park, KS 66202-4247
- Telephone (913-677-2884)
- By United States mail, overnight courier service, or facsimile (913-677-0804)
- 14.06 This Agreement shall be binding upon and inure to the benefit of the successor, legal representative, and assignees of the respective Parties but is not assignable by KMEA without the express written consent of GRDA. No assignment of this Agreement shall relieve the assignor of its obligations hereunder.
- 14.07 This Agreement shall in all respects be subject to the rules, regulations and orders of all governmental authorities having jurisdiction of the subject matter hereof, and subject to the rules and regulations as may be applied to the Parties by such governmental authorities.
- 14.08 Each Party acknowledges that this Agreement has been reviewed by legal counsel of the respective Parties and is considered an arm's length transaction. Each Party further warrants and represents that implied covenants of good faith and fair dealing, each with the other, are applicable, and each represents and warrants that the terms and conditions of this Agreement are, in the opinion of their respective counsel, valid and enforceable, and neither Party will assert or attempt to assert in litigation or otherwise, that any term or condition of this Agreement is unlawful or unenforceable, each Party waiving any such claim or defense.
- 14.09 This Agreement may be amended from time to time by mutual agreement between GRDA and KMEA; provided, however, that any such amendment must have the approval, in writing, of the governing boards of each of the Parties.
- 14.10 Each party may, at its sole option, change the notice, billings, communication, contact, and payment information with thirty (30) days prior written notice to the other party.

**Article 15. MISCELLANEOUS**

- 15.01 This Agreement, together with the Exhibits attached hereto and made a part hereof, constitutes the entire agreement between GRDA and KMEA regarding the subject matter hereof, and supersedes any and all previous or contemporaneous understandings between GRDA and KMEA, whether written or oral.
  
- 15.02 Upon the Service Commencement Date, this Agreement is intended to supersede, negate, and cancel the existing contract dated the 19<sup>th</sup> of January, 2000 between the Parties, however, the termination of the existing contract shall not discharge either party hereto from any obligation it owes to the other party under the existing contract by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events, or basis of which shall occur or arise) prior to such termination.
  
- 15.03 This Agreement shall be governed by and construed, enforced and performed in accordance with the laws of the State of Oklahoma.
  
- 15.04 To the extent any provision of this Agreement is held unenforceable or invalid under applicable law, such invalidity shall not affect any other provisions of this Agreement which can be given effect without the invalid provisions and, to this end, the provisions hereof are severable.
  
- 15.05 Both parties acknowledge that the SPP is the current regional transmission organization and that during the term of this agreement, another organization may succeed the SPP. Due to the changing nature of the wholesale power market rules and regulations, any successor organization protocols and operating procedures shall, to the extent practical, be adopted for use by this agreement.
  
- 15.06 KMEA agrees to maintain rates for electric power and energy to Participating Members which shall provide to KMEA revenues, which, together with other funds estimated to be available, will be sufficient to meet its obligations to the GRDA under this Agreement.
  
- 15.07 KMEA represents and warrants to GRDA that it and its Participating Members will not sell in excess of seven percent (7%) of any capacity or energy sold by GRDA to KMEA under this Agreement in any manner that would cause such sale to result in any facility of GRDA being deemed to be used for a private business use under the Internal Revenue Code of 1986 and the regulations promulgated thereunder. To that end, KMEA and its Participating Members covenant not to make any resale in excess of seven percent (7%) of capacity or energy sold to KMEA under the Agreement to a purchaser for resale by such purchaser, if it would obligate the purchaser to make payments that are not contingent on the output requirements of the

purchaser (including but not limited to minimum demand charges) or obligate the purchaser to have output requirement resales that require the purchaser to pay reasonable and customary damages (including liquidated damages) in the event of a default, or to pay a specified amount to terminate the contract or arrangement with KMEA while the purchaser has requirements, in each case if the amount of the payment is reasonably related to the purchaser's obligations to buy requirements that is discharged by the payment. CUSTOMER shall confirm to GRDA at least annually by December 31 that no resales have been made of the capacity and energy sold to CUSTOMER under this Agreement other than in compliance with the preceding two sentences. Nothing contained in this Section 15.07 shall affect the ability of CUSTOMER to make resales to any persons under any conditions if and to the extent such resales are made from resources other than the capacity or energy sold to CUSTOMER under this Agreement.

**Article 16. AUTHORITY TO EXECUTE AGREEMENT**

- 16.01 GRDA and KMEA each respectively represents and warrants that it has full power and authority to execute, perform, and carry out this Agreement, and the execution of the Agreement by it has been authorized and exercised in accordance with laws and governing body approvals applicable to it.

IN WITNESS WHEREOF, each Party hereto has caused this Agreement to be executed by its duly authorized representative and its corporate seal to be affixed hereto on the dates below each signature, to be effective on the date first above written.

ATTEST:

GRAND RIVER DAM AUTHORITY

Donna M. Jones

By: Donna M. Jones

Title: Secretary

By: Alfred Easley MK

Title: CEO

Date: 7-14-05

ATTEST:

KANSAS MUNICIPAL ENERGY AGENCY

James B. Bradley

By: James B. Bradley

Title: Vice President

By: Jan R. Wicks

Title: General Manager

Date: July 14, 2005

GRAND RIVER DAM AUTHORITY  
 P.O. Box 409  
 Vinita, Oklahoma 74301

**SCHEDULE WP-OCA – WHOLESALE POWER SERVICE OUTSIDE CONTROL AREA**

Page 1 of 2

**AVAILABILITY:**

To electric utilities, municipalities and rural electric distribution cooperatives outside GRDA’s Control Area for wholesale and firm partial requirements power and energy service for resale to their participating members or to retail consumers connected to their system. Wholesale Customers must have entered into a Power Purchase and Sale Agreement with GRDA.

RATE SCHEDULES WP-OCA AND OWP-OCA ARE LIMITED TO 100,000 KW OF LOAD PER CUSTOMER AND 500,000 KW OF TOTAL LOAD WHICH SHALL BE CALCULATED BY SUMMING THE CONTRACT DEMANDS OF THE PARTICIPATING CUSTOMERS.

**TYPE OF SERVICE:**

Generation Bus or three-phase, 60 hertz, at the available transmission voltage.

**MONTHLY RATE:**

	<b>Generation Bus</b>	<b>Transmission</b>
Basic Charge	\$1,000.00	\$1,000.00
Capacity Charge, per Capacity Billing kW	\$8.76	\$9.32
Energy Charge, per Billing kWh	\$0.021	\$0.021

Transmission: Service 69,000 volts and above.

Generation Bus: Customer has separately developed and will maintain transmission service arrangements with third parties to deliver power and energy from GRDA’s generation bus.

**MINIMUM MONTHLY BILLING:**

Each billing period the Customer shall pay the greater of the amount calculated under the above rate or the amount established in the Customer’s Power Purchase and Sale Agreement with GRDA, whether or not any energy is actually scheduled by the customer.

**POWER COST ADJUSTMENT:**

This rate is subject to the Power Cost Adjustment set forth on Schedule PCA.

**DETERMINATION OF CAPACITY BILLING DEMAND:**

The capacity billing demand shall be the amount established in the Customer’s Power Purchase and Sale Agreement with GRDA.

GRAND RIVER DAM AUTHORITY  
P.O. Box 409  
Vinita, Oklahoma 74301

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**SCHEDULE WP-OCA – WHOLESALE POWER SERVICE OUTSIDE CONTROL AREA**

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Page 2 of 2

**DETERMINATION OF BILLING ENERGY:**

The billing energy shall be the amount established in the Customer's Power Purchase and Sale Agreement with GRDA.

**TRANSMISSION:**

Customer shall be solely responsible for all transmission arrangements, including associated costs, necessary to receive power and energy from GRDA.

**OTHER TAXES, FEES AND DUTIES:**

The Customer shall pay, in addition to the other rates and charges set forth on this schedule, any taxes, fees and duties required to be collected by GRDA and paid to the proper agency charged with the collection of such taxes, fees and duties.

**CONDITIONS OF SERVICE FOR FIRM PARTIAL REQUIREMENTS:**

1. The minimum monthly load factor scheduled shall be seventy-five percent (75%) or greater calculated on the peak kW established for the month.
2. Other conditions in accordance with the Customer's Power Purchase and Sale Agreement with GRDA.

**TERMS OF PAYMENT:**

Bills shall be considered past due if not paid by the due date shown on the bill. A late payment fee of the greater of \$100.00 or 1.5% of the total past due amount shall be applied to the total past due amount.

**CHANGES TO RATE SCHEDULE:**

The terms and charges in this rate schedule may be changed by GRDA from time to time as provided by the "Grand River Dam Authority Act" (82 O.S.A. § 861, et seq., as amended and supplemented).

GRAND RIVER DAM AUTHORITY  
 P.O. Box 409  
 Vinita, Oklahoma 74301

**SCHEDULE PCA – POWER COST ADJUSTMENT**

Page 1 of 2

**APPLICABILITY:**

The Wholesale Power, Wholesale Power Outside Control Area, Large General Service, Large General Service Time-of-Use, and Small General Service-Commercial rate schedules and Wholesale Long-Term Firm, Wholesale Power Rate for Resale, Wholesale Scheduled Firm, General Service and General Service Commercial rates are subject to this Power Cost Adjustment Schedule.

Monthly charges shall be increased or decreased on a uniform per kWh basis using the Power Cost Adjustment factor (PCA) calculated in accordance with the following provisions.

**POWER COST:**

The power cost is the costs which would be recorded as:

- (1) Fossil fuel for generation in Account 501, excluding the cost of fossil fuel recovered through off-system sales; such sales to include economy energy sales and other energy sold on a short term basis (less than 35 days); and
- (2) Purchased power in Account 555.

**POWER COST ADJUSTMENT:**

The following formula is used to determine the Power Cost Adjustment Factor. The Power Cost Adjustment Factor will be calculated to the nearest one-hundredth of a mill (\$0.00001) per kWh.

PCA	=	$\frac{EFPC + PC - RPC}{EFkWhS}$	-	Base Power Cost
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Where:

EFPC = Estimated Future Power Cost. In December of each year, the AUTHORITY will estimate the cost of power in dollars for the next calendar year.

PC = Power Cost. In December each year, the AUTHORITY will determine the actual cost of power in dollars for the calendar year plus corrections for any estimated power cost amounts from previous period calculations. If actual power costs are not available for all months of the calendar year, the AUTHORITY may estimate the power cost for any periods for which actual cost is not available.



GRAND RIVER DAM AUTHORITY  
P.O. Box 409  
Vinita, Oklahoma 74301

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**SCHEDULE PCA – POWER COST ADJUSTMENT**

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Page 2 of 2

RPC = Recovered Power Cost is determined by summing the Power Cost Adjustment billed for the period and the result of multiplying the kWh Sales for the period by the Base Power Cost.

kWh Sales = The AUTHORITY will determine the actual kWh sales excluding off-system kWh sales for the period. If actual kWh sales are not available for all months of the period, the AUTHORITY may estimate the kWh sales for any period for which actual kWh is not available.

Base Power Cost = \$0.013 per kWh sold.

EFkWhS = Estimated Future kWh Sales. In December each year, the AUTHORITY will estimate the kWh sales excluding off-system sales for the next calendar year.

GRDA may recalculate the PCA factor as actual power cost and kWh sales data becomes available and may revise estimated power cost and kWh sales for the remainder of the calendar year.

**CHANGES IN POWER COST ADJUSTMENT:**

The terms and charges in this power cost adjustment may be changed by GRDA from time to time as provided by the “Grand River Dam Authority Act” (82 O.S.A. § 861, et seq., as amended and supplemented).



**Exhibit B**

**Capacity Billing Demand and Billing Energy**

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

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

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh)
June	84,000	84,000	84,000	60,480,000
July	84,000	84,000	84,000	62,496,000
August	84,000	84,000	84,000	62,496,000
September	84,000	84,000	84,000	60,480,000

**Exhibit B (continued)**

**Capacity Billing Demand and Billing Energy**

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

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh)
October	63,000	63,000	84,000	46,935,000
November	63,000	63,000	84,000	45,360,000
December	63,000	63,000	84,000	46,872,000
January	63,000	63,000	84,000	46,872,000
February	63,000	63,000	84,000	42,336,000
March	63,000	63,000	84,000	46,872,000
April	63,000	63,000	84,000	45,297,000
May	63,000	63,000	84,000	46,872,000

Notes:

1. The Billing Energy is calculated by multiplying the Capacity Billing Demand times the number of hours in the applicable month (a 100% monthly load factor).
2. The number of hours in October is 745 to reflect the change from daylight savings time to standard time.
3. The number of hours in April is 719 to reflect the change from standard time to daylight savings time.
4. For leap years, the number of hours in February is 696.

**Exhibit C**

**KMEA Participating Member List**

The current applicable Participating Members of KMEA are as follows: however, this list is subject to change depending on each city's final commitment.

- |                  |                |
|------------------|----------------|
| Agusta, KS       | Sterling, KS   |
| Baldwin City, KS | Wamego, KS     |
| Burlington, KS   | Wellington, KS |
| Elinwood, KS     | Winfield, KS   |
| Erie, KS         |                |
| Fredonia, KS     |                |
| Gardner, KS      |                |
| Garnett, KS      |                |
| Girard, KS       |                |
| Hoisington, KS   |                |
| Holton, KS       |                |
| Lacrosse, KS     |                |
| Larned, KS       |                |
| Meade, KS        |                |
| Neodesha, KS     |                |
| Osage City, KS   |                |
| Osawatomie, KS   |                |
| Ottawa, KS       |                |
| Stafford, KS     |                |
| Sterling, KS     |                |

**FIRST AMENDMENT TO THE POWER PURCHASE AND SALE AGREEMENT**

THIS first amendment to the May 11, 2005, Agreement by and between **GRAND RIVER DAM AUTHORITY**, a governmental agency of the State of Oklahoma, body politic and corporate, created and existing under the laws of the State of Oklahoma, including particularly Title 82, Oklahoma Statutes, Sections 861 et seq. (the “Grand River Dam Authority Act”, or the “Act”), hereinafter referred to as “GRDA” and **KANSAS MUNICIPAL ENERGY AGENCY**, a legally constituted municipal energy agency and quasi-municipal corporation duly created, organized, and existing under and by virtue of the laws of the State of Kansas, including particularly K.S.A. 12-885 to 12-8,111, inclusive as amended and supplemented, hereinafter referred to as “KMEA” and “Customer”(hereinafter each referred to individually as a “Party” and collectively as the “Parties”), is entered into this 14th day of October, 2009.

WHEREAS, the Customer desires to purchase and GRDA desires to sell an additional 4 MW of electric power and energy commencing upon June 1, 2010;

NOW, THEREFORE, for and in consideration of the covenants and agreements set forth herein contained, it is agreed by and between the parties hereto, that the said Agreement is hereby amended as follows:

- (1) Exhibit “B” shall be modified to reflect an additional 4,000 kW of Capacity Billing Demand and Billing Energy for a total of 67,000 kW effective June 1, 2010.

Except as amended by the above, all provisions of the Agreement between the parties remains in full force and effect.

IN WITNESS WHEREOF, the hands and seals of the parties hereto have been affixed to two (2) copies, each to be considered original, and executed by their respective officers, duly authorized on the date above set forth.

ATTEST:

**GRAND RIVER DAM AUTHORITY**



Donna M. Jones

By: Donna M. Jones

Title: Secretary

By:

Kevin Easley

Kevin Easley

Title: Chief Executive Officer

Date: 11-10-09

ATTEST:

**KANSAS MUNICIPAL ENERGY AGENCY**

Diann Burress

By: DIANN BURRESS

Title: Director, Member Services

By:

Jan Wicks

Title: General Manager

Date: 12-17-09

**Exhibit B**

**Capacity Billing Demand and Billing Energy**

Commencing on June 1, 2010 and continuing for the months of June through September for the remainder of the Term, the Capacity Billing Demand and Billing Energy for the months of June through September shall be the Nominal Capacity Billing Demand as follows:

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh) <sup>1</sup>
June	67,000	67,000	67,000	48,240,000
July	67,000	67,000	67,000	49,848,000
August	67,000	67,000	67,000	49,848,000
September	67,000	67,000	67,000	48,240,000

**Capacity Billing Demand and Billing Energy**

Commencing on October 1, 2010 and continuing for the months of October through May during the remainder of the Term, the Capacity Billing Demand and Billing Energy for the calendar months of October through May shall be the Nominal Capacity Billing Demand as follows, unless KMEA notifies GRDA by the first day of the preceding month of a revised Nominal Capacity Billing Demand, which will be not less than Minimum Capacity Billing Demand nor greater than the Maximum Capacity Billing Demand. The Billing Energy for each month will be calculated on the revised monthly capacity billing demand scheduled at 100% monthly load factor.

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh) <sup>1</sup>
October	50,000	50,000	67,000	37,200,000
November <sup>2</sup>	50,000	50,000	67,000	35,950,000
December	50,000	50,000	67,000	37,200,000
January	50,000	50,000	67,000	37,200,000
February <sup>3</sup>	50,000	50,000	67,000	33,600,000
March	50,000	50,000	67,000	37,250,000
April <sup>2</sup>	50,000	50,000	67,000	36,000,000
May	50,000	50,000	67,000	37,200,000

Notes:

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

**SECOND AMENDMENT TO THE POWER  
 PURCHASE AND SALE AGREEMENT**

THIS second amendment to the Power Purchase and Sales Agreement, dated as of May 11, 2005, (the “Agreement”) by and between **GRAND RIVER DAM AUTHORITY**, a governmental agency of the State of Oklahoma, body politic and corporate, created and existing under the laws of the State of Oklahoma, including particularly Title 82, Oklahoma Statutes, Sections 861 et seq. (the “Grand River Dam Authority Act”, or the “Act”), hereinafter referred to as “GRDA” and **KANSAS MUNICIPAL ENERGY AGENCY**, a legally constituted municipal energy agency and quasi-municipal corporation duly created, organized, and existing under and by virtue of the laws of the State of Kansas, including particularly K.S.A. 12-885 to 12-8,111, inclusive as amended and supplemented, hereinafter referred to as “KMEA” and “Customer”(hereinafter each referred to individually as a “Party” and collectively as the “Parties”), is entered into this 9th day of June, 2010.

WHEREAS, the Parties initially proposed that GRDA would sell and KMEA would purchase up to 84,000 kW Maximum Capacity Billing Demand as set forth in the original Exhibit B to the May 11, 2005 Agreement; provided firm transmission could be arranged for delivery of the electric power and energy; and

WHEREAS, during the process of requesting transmission through the Southwest Power Pool (“SPP”), firm transmission was economically feasible and approved for part of the electric power and energy set forth on the original Exhibit B, and the Parties have modified Exhibit B on the following dates based on the firm transmission arrangements as determined from time to time:

- (i) Exhibit B was modified in April 2006 to provide for delivery of electric power and energy up to 80,000 kW of Maximum Capacity Billing Demand on and after June 1, 2009;



(ii) Exhibit B was modified in April 2007 to provide for delivery of electric power and energy up to 81,000 kW of Maximum Capacity Billing Demand on and after May 1, 2009;

(iii) Exhibit B was modified in April 2009 to provide for delivery of electric power and energy up to 63,000 kW of Maximum Capacity Billing Demand on and after May 1, 2009, and Exhibit C was modified to list the Participating Members of KMEA as of the current date;

WHEREAS, the Parties entered into the First Amendment to the Agreement on October 4, 2009 to modify Exhibit B to increase the delivery of electric power and energy up to 67,000 kW of Maximum Capacity Billing Demand on June 1, 2010;

WHEREAS, the Customer desires to purchase and GRDA desires to sell an additional 17,000 kW of electric power and energy commencing on June 1, 2010, which is subject to receipt of transmission approval from SPP, for a total up to 84,000 kW of electric power and energy;

WHEREAS, both parties desire to modify Exhibit C to list Participating Members of KMEA as of June 1, 2010;

NOW, THEREFORE, for and in consideration of the covenants and agreements set forth herein contained, it is agreed by and between the parties hereto, that the said Agreement is hereby amended as follows:

Section 1. The Parties agree to amend "Exhibit B" to reflect a schedule adding 17,000 kW of Capacity Billing Demand and Billing Energy, subject to transmission approval by SPP for such volume, up to a total of 84,000 kW effective June 1, 2010. In the event, KMEA is unable, after using commercially reasonable efforts, to execute firm transmission service agreements for amounts sufficient for full deliveries pursuant to Exhibit B on or before August 1, 2010, Exhibit B shall be modified to reflect the amount of firm transmission secured with written service agreements. The form of the amended Exhibit B is attached hereto and incorporated herein by reference.



Section 2. Except as amended herein and in the prior amendments to the Agreement, all provisions of the Agreement between the parties are hereby ratified and remain in full force and effect.

IN WITNESS WHEREOF, the hands and seals of the parties hereto have been affixed to two (2) copies, each to be considered original, and executed by their respective officers, duly authorized on the date above set forth.



ATTEST:

Donna M. Jones

By: Donna M. Jones

Title: Secretary

**GRAND RIVER DAM AUTHORITY**

By: Kevin Easley

Title: Chief Executive Officer

Date: 6-16-10

ATTEST:

Sarah O. Steele

By: Sarah O. Steele

Title: General Counsel

**KANSAS MUNICIPAL ENERGY AGENCY**

By: Robert Pochler

Title: GENERAL MANAGER

Date: 6/29/10

**Exhibit B**

**Capacity Billing Demand and Billing Energy**

**As approved by Second Amendment dated June 9, 2010**

Commencing on June 1, 2010 and continuing for the months of June through September through the remainder of the Term, the Capacity Billing Demand and Billing Energy for the months of June through September shall be the Nominal Capacity Billing Demand as follows:

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh)
June	84,000	84,000	84,000	60,480,000
July	84,000	84,000	84,000	62,496,000
August	84,000	84,000	84,000	62,496,000
September	84,000	84,000	84,000	60,480,000

Commencing on October 1, 2010 and continuing for the months of October through May through the remainder of the Term, the Capacity Billing Demand and Billing Energy for the calendar months of October through May shall be the Nominal Capacity Billing Demand as follows, unless KMEA notifies GRDA by the first day of the preceding month of a revised Nominal Capacity Billing Demand, which will be not less than Minimum Capacity Billing Demand nor greater than the Maximum Capacity Billing Demand. The Billing Energy for each month will be calculated on the revised monthly capacity billing demand scheduled at 100% monthly load factor.

Month	Nominal Capacity Billing Demand (kW)	Minimum Capacity Billing Demand (kW)	Maximum Capacity Billing Demand (kW)	Billing Energy (kWh)
October	63,000	63,000	84,000	46,872,000
November	63,000	63,000	84,000	45,360,000
December	63,000	63,000	84,000	46,872,000
January	63,000	63,000	84,000	46,872,000
February	63,000	63,000	84,000	42,336,000
March	63,000	63,000	84,000	46,872,000
April	63,000	63,000	84,000	45,360,000
May	63,000	63,000	84,000	46,872,000

Notes:

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

**Exhibit C**

**KMEA Participating Member List**

The current applicable Participating Members of KMEA are as follow: however, this list is subject to change depending on each city’s final commitment.

**Effective June 1, 2010**

- Augusta, KS
- Baldwin City, KS
- Beloit, KS..... added October 2007
- ~~Burlington, KS~~ ..... removed June 2010
- Ellinwood, KS
- Erie, KS
- Fredonia, KS
- Gardner, KS
- Garnett, KS
- Girard, KS
- Hoisington, KS
- Holton, KS
- Horton, KS ..... added April 2009
- ~~Laersse, KS~~ ..... removed June 2010
- Larned, KS
- Lincoln Center, KS ..... added June 2010
- ~~Meade, KS~~
- Neodesha, KS
- Osage City, KS
- Osawatomie, KS
- Osborne, KS..... added June 2010
- Ottawa, KS
- Pratt, KS..... added June 2010
- Russell, KS..... added June 2010
- ~~Stafford, KS~~ ..... removed June 2010
- Sterling, KS
- Stockton, KS ..... added June 2010
- Wamego, KS
- Washington, KS ..... added June 2010
- Wellington, KS
- Winfield, KS

### THIRD AMENDMENT TO THE SERVICE POWER PURCHASE AND SALE AGREEMENT

This Third Amendment to the Power Purchase And Sale Agreement (“Third Amendment”) is executed and made effective as of \_\_\_\_\_, 2024, by and between the Grand River Dam Authority, a governmental agency of the State of Oklahoma created and existing pursuant to 82 O.S. § 861, *et seq.* (“GRDA”), and Kansas Municipal Energy Agency, a legally constituted municipal energy agency and quasi-municipal corporation duly created, organized, and existing under and by virtue of the laws of the State of Kansas, including particularly K.S.A. 12-885 to 12-8,111, inclusive as amended and supplemented (“KMEA”) (hereinafter each referred to individually as a “Party” and collectively, the “Parties”).

**WHEREAS**, GRDA and KMEA are Parties to that certain Power Purchase and Sale Agreement dated as of May 11, 2005, as amended by that certain First Amendment to the Power Purchase and Sale Agreement dated as of October 14, 2009, and as further amended by that certain Second Amendment to the Power Purchase and Sale Agreement dated as of June 9, 2010 (collectively, the “Agreement”)

**WHEREAS**, the Parties agree to amend on the terms set forth herein certain sections of the Agreement to allow for the extension of the term of the Agreement and reduce the Capacity Billing Demand and Billing Energy.

**NOW, THEREFORE**, for and in consideration of the covenants and agreements contained herein, the Parties agree to the following:

1. **Article 1. Definitions, Section 1.21** “*Termination Date*” shall be deleted in its entirety and replaced with the following:

“1.21 “Termination Date” shall mean April 30, 2051, or such other date as the Parties may agree in writing in accordance with Article 11, unless terminated earlier in accordance with Article 13.”

2. **Article 11. Contract Term and Term Extension, Section 11.02** is amended by deleting the second sentence of the section which removes the following language:

~~“If KMEA desires a contract extension, KMEA must notify GRDA prior to April 30, 2021.”~~

3. **Article 14. Notices** shall be amended and updated as follows:

14.01 Notices and communications shall be delivered to:

Chief Executive Officer  
Grand River Dam Authority  
Administrative Center  
8624 OK-412B  
Chouteau, OK 74337  
Telephone (918) 256-5545  
Email: [legal.notices@grda.com](mailto:legal.notices@grda.com)

With a CC to:

Executive Vice President, External Relations  
Grand River Dam Authority  
9933 East 16th Street  
Tulsa, OK 74128

by: electronic mail, United States mail, or overnight courier service.

DRAFT - APPENDIX A to PPA-GRDA Power Supply Project No. 2

14.02 Notice to GRDA Dispatcher as required:  
Superintendent of Transmission Operations,  
PO Box 772,  
Locust Grove, OK 74352  
Telephone: (918) 825-1053  
Email:

by: electronic mail, United States mail, or overnight courier service.

14.05 Notices, billings and communications to KMEA shall be delivered to:  
General Manager  
Kansas Municipal Energy Agency,  
6300 W 95<sup>th</sup> Street  
Overland Park, KS 66212  
Telephone (913) 677-2884  
Email: mahlberg@kmea.com

by electronic mail, United States mail, or overnight courier service.

4. **Exhibit B** shall be amended to reflect a reduction of Capacity Billing Demand and Billing Energy to a total of 60,000kW effective May 1, 2026. The form of the amended Exhibit is attached hereto and incorporated herein by reference.

Except as amended herein, all other provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Third Amendment to be executed by their duly authorized representatives on the date set forth above.

**GRAND RIVER DAM AUTHORITY**

By \_\_\_\_\_  
Daniel S. Sullivan, CEO

ATTEST:

(Seal)

\_\_\_\_\_  
Sheila Allen, Corporate Secretary

**KANSAS MUNICIPAL ENERGY AGENCY**

By \_\_\_\_\_  
Paul Mahlberg, General Manager

ATTEST:

(Seal)

\_\_\_\_\_



**AMENDMENT NO. 1 TO  
POWER PURCHASE AGREEMENT  
(GRAND RIVER DAM AUTHORITY POWER SUPPLY)**

This Amendment No. 1 to Power Purchase Agreement (the "Amendment") is dated as of the \_\_\_\_ day of \_\_\_\_\_, 2006 by and between the City of Ottawa, Kansas, (the "City") and the Kansas Municipal Energy Agency ("KMEA") (collectively, the City and KMEA are referred to as the "Parties" or singularly as the "Party").

**WHEREAS**, the City of Ottawa, Kansas (the "City") has entered into a Power Purchase Agreement dated as of May 11, 2005 (the "Original Agreement") with the Kansas Municipal Energy Agency ("KMEA") to purchase from KMEA electricity supplied under a Power Purchase and Sale Agreement between KMEA and the Grand River Dam Authority ("GRDA"), a governmental agency of the State of Oklahoma; and

**WHEREAS**, pursuant to the terms of the Original Agreement, KMEA has negotiated with Southwest Power Pool ("SPP") to provide transmission of the electricity to the participants in the GRDA project, including the City; and

**WHEREAS**, SPP will provide transmission services subject to the terms of its Open Access Transmission Tariff ("OATT"); and

**WHEREAS**, the OATT and the SPP Credit Policy require a letter of credit or other financial assurance be provided as security for the payments to be made by KMEA on behalf of the City for firm point-to-point transmission of the electricity to the City; and

**WHEREAS**, in order for KMEA to obtain a letter of credit or other financial assurance as required by SPP, KMEA and the City have determined that certain amendments are required to the Original Agreement between KMEA and the City; and

**WHEREAS**, one of the requirements in obtaining a letter of credit is the execution by KMEA of a reimbursement and security agreement with the provider of the letter of credit; and

**WHEREAS**, the provider of the letter of credit requires that KMEA has a binding contract with the City for the purchase of electricity (as described in K.S.A. 12-825j) under which the City pledges the payments required to be made under the contract as security for any payments made by KMEA to the provider of the letter of credit and to SPP.

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

**Section 1.** The Sixth "Whereas" clause of the Original Agreement shall be deleted in its entirety and replaced with the following:

**WHEREAS**, KMEA shall use commercially reasonable efforts to develop and maintain firm transmission service arrangements with third parties for delivery of the electric power and energy to the City's Delivery Point in sufficient amounts to comply with the contractual requirements set forth herein on or before the Service Commencement Date;

**Section 2.** Article I, Section 1.02, of the Original Agreement shall be deleted in its entirety and replaced with the following:

1.02. "Service Commencement Date" shall be on or after 12:00 a.m. CPT on the first day of the calendar month in which SPP has granted firm transmission arrangements to KMEA for the delivery of the electric power and energy purchased hereunder from the Point(s) of Delivery to KMEA's Loads in sufficient amounts to comply with any portion of the contractual requirements set forth herein, or such other date agreed to by the Parties in writing, subject to the prior written agreement from GRDA.

**Section 3.** Article I of the Original Agreement shall be amended to add the following Section 1.05:

1.05 "*Electricity*" shall include all capacity and energy, transmission and all other services relating to the delivery of electrical power into the City's municipal utility system.

**Section 4.** Section 3.01 of the Original Agreement shall be deleted in its entirety and replaced with the following Section 3.01:

3.01 KMEA agrees to sell to the City, and the City agrees to purchase from KMEA, commencing on the Service Commencement Date and extending through the Term hereof, Electricity, including Firm Capacity and associated energy in the quantities set forth on *Appendix B* to this Agreement, at the prices specified in *Exhibit A* to the GRDA Agreement for Capacity Billing Demand and Billing Energy as set forth therein and as may be amended by GRDA during the Term of the GRDA Agreement. KMEA's obligation to commence service hereunder is subject to KMEA receiving a duly executed agreement providing firm transmission service arrangements sufficient for delivery of the electric power and energy provided pursuant to this Agreement

**Section 5.** Section 4.01 of the Original Agreement shall be deleted in its entirety and replaced with the following Section 4.01:

4.01 (a) Each month the City will pay KMEA the City's allocated portion of all amounts to be paid for the Electricity delivered under this Agreement, including, without limitation:

- Basic Charge<sup>1</sup>
- Capacity Charge, per Capacity Billing kW<sup>1</sup>
- Energy Charge, per Billing kWh<sup>1, 2</sup>
- Taxes, Fees and Duties
- Costs associated with providing financial surety to transmission providers, including interest on advanced funds
- Administrative Fee as described in Section 4.02 herein



- Transmission Fees as described in Article 5 herein

(b) The City acknowledges that the rates are subject to change by GRDA from time to time pursuant to 82 O.S.A. Section 861 *et seq.*, and the City will pay KMEA the rates as established by GRDA under the GRDA Agreement and Schedule WP-OCA. KMEA agrees to promptly communicate to the City any notice from GRDA on Schedule WP-OCA changes.

(c) The payments made by the City to KMEA under this Agreement shall be paid from the gross revenues (the "Revenues") of the City's electric utility system or other integrated utility system of the City of which the City's electric utility system may be a part (the "System"). The payments by the City for Electricity under this Agreement shall constitute operating expenses of the System. Such payments shall be in addition to, and not in substitution for, any other payments, whether on account of dues or otherwise, owed by the City to KMEA. The obligation of the City to make payments to KMEA under this Agreement, whether or not reduced to judgment, shall not constitute general obligations of the City, and the City shall not be required to make such payments from any source other than the Revenues.

(d) The City will fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by or through the System, including all repairs, alterations, extensions, reconstructions, enlargements or improvements thereto hereafter constructed or acquired by the City, as will produce Revenues sufficient to (a) pay all operating expenses of the System, including the obligation to make payments under this Agreement, as amended; (b) pay the principal of and interest on all the bonds and any other indebtedness of the System (the "System Indebtedness") as and when the same become due; and (c) provide reasonable and adequate reserves to satisfy covenants in the resolutions authorizing System Indebtedness and for the general protection and benefit of the System.

(e) The obligation of the City to make payments under this Agreement shall be absolute, and the failure of KMEA to deliver Energy hereunder shall not relieve the City from its obligation to pay for the City's proportionate share of the expenses incurred by KMEA for the Electricity.

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<sup>1</sup> For current rates see **Schedule WP-OCA – Wholesale Power Service Outside Control Area** contained in *Exhibit A* to the GRDA Agreement.

<sup>2</sup> This rate is subject to the Power Cost Adjustment set forth on Schedule PCA.

**Section 6.** Section 5.01 of the Original Agreement shall be deleted in its entirety and replaced with the following Section 5.01:

5.01 KMEA will use commercially reasonable efforts to develop and maintain firm transmission service arrangements with third parties for

delivery of the electric power and energy to the City's delivery points in sufficient amounts to comply with the contractual requirements set forth in *Appendix B* to this Agreement. In the event such arrangements are not completed on or before the Service Commencement Date, the quantities set forth in Appendix B to this Agreement will be modified to provide the quantity for which firm transmission service arrangements have been granted.

**Section 7.** Section 7.02 of the Original Agreement shall be deleted in its entirety and replaced with the following Section 7.02:

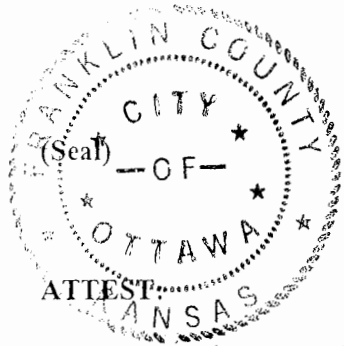
7.02 If, and whenever, the delivery of Firm Capacity and associated energy thereunder shall be interrupted for a period exceeding one (1) hour in duration, due to a fault of the facilities of GRDA, a Force Majeure, or a curtailment by SPP, the monthly charge for Capacity Billing Demand for the month in which such interruption occurs shall be reduced in the ratio that the number of hours of such interruption bears to the total number of hours in such month. The City shall make written claim for a credit of such monthly charge for Capacity Billing Demand, within eighty (80) days after receiving the monthly bill for the month in which the interruption or interruptions occurred, for reduction of the amount due because of any such interruptions not reflected in such bill. Failure to make such written claim within said eighty (80) day period shall constitute a waiver thereof. Any credit of such monthly charge for Capacity Billing Demand shall not eliminate the requirement to pay for other components of the costs of the Electricity.

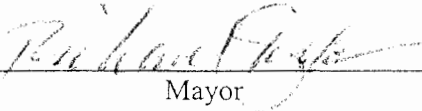
**Section 8.** Section 11.01 of the Original Agreement shall be deleted in its entirety and replaced with the following Section 11.01:


11.01 This Agreement shall be binding upon and inure to the benefit of the successor, legal representative, and assignees of the respective Parties; provided, however, except for the assignment by KMEA as provided in this subsection, neither this Agreement, nor any interest herein shall be transferred or assigned by either party hereto except with the prior written consent of the other Party, which consent shall not be unreasonably withheld. The City acknowledges and agrees that KMEA may assign and pledge all of, or any interest in, KMEA's right, title and interest in and to all payments to be made to KMEA under the provisions of this Agreement, as security for the payment of any obligation of KMEA, including interest thereon, created under any power purchase contract, reimbursement agreement, loan, bond or other instrument (collectively, "Contract Obligations"). In connection with such assignment and pledge, KMEA may deliver possession of this Agreement to such assignee and pledgee and grant such assignee and pledgee any rights and remedies herein provided to KMEA, and such assignee and pledgee shall be a third party beneficiary of the covenants and agreements of the City herein contained; provided, however, that nothing herein is intended to allow KMEA in the absence of an event of default under any Contract Obligations, to convey its operating responsibilities to any such assignee and pledgee.

IN WITNESS HEREOF, the Parties hereto have executed this Amendment No. 1 to the Power Purchase Agreement on the date set forth above.

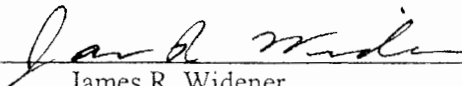
**CITY OF OTTAWA, KANSAS**



  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
City Clerk

**KANSAS MUNICIPAL ENERGY AGENCY**

  
\_\_\_\_\_  
James R. Widener  
General Manager

Giltmore & Bell, P.C.  
DRAFT 01/20/06

RESOLUTION NO. 1354-06

**A RESOLUTION OF THE CITY OF OTTAWA, KANSAS, AUTHORIZING THE EXECUTION OF AN AMENDMENT TO A POWER PURCHASE AGREEMENT, DATED AS OF MAY 11, 2005, BETWEEN THE CITY OF OTTAWA, KANSAS, AND THE KANSAS MUNICIPAL ENERGY AGENCY RELATING TO THE PURCHASE OF ELECTRICITY BY THE CITY FROM THE KANSAS MUNICIPAL ENERGY AGENCY FOR SALE OR USE BY THE CITY; AND MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.**

**WHEREAS**, the City of Ottawa, Kansas (the "City") has entered into a Power Purchase Agreement dated as of May 11, 2005 (the "Original Agreement") with the Kansas Municipal Energy Agency ("KMEA") to purchase from KMEA electricity supplied under a Power Purchase and Sale Agreement between KMEA and the Grand River Dam Authority ("GRDA"), a governmental agency of the State of Oklahoma; and

**WHEREAS**, pursuant to the terms of the Original Agreement, KMEA has negotiated with Southwest Power Pool ("SPP") to provide transmission of the electricity to the participants in the GRDA project, including the City; and

**WHEREAS**, SPP will provide transmission services subject to the terms of its Open Access Transmission Tariff ("OATT"); and

**WHEREAS**, the OATT and the SPP Credit Policy require a letter of credit or other financial assurance be provided as security for the payments to be made by KMEA on behalf of the City for firm point-to-point transmission of the electricity to the City; and

**WHEREAS**, in order for KMEA to obtain a letter of credit or other financial assurance as required by SPP, KMEA and the City have determined that certain amendments are required to the Original Agreement between KMEA and the City.

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

**Section 1. Authorization of Amendment.** The Mayor and Clerk are hereby authorized to execute Amendment No. 1 to the Original Agreement (the "Amendment") in the form presented to the governing body this date. The Mayor and Clerk are authorized and directed to execute any and all other documents or certificates necessary to effect the purposes set forth in this Resolution and the Amendment. The Original Agreement, together with the Amendment, are hereafter referred to collectively as the Purchase Agreement.

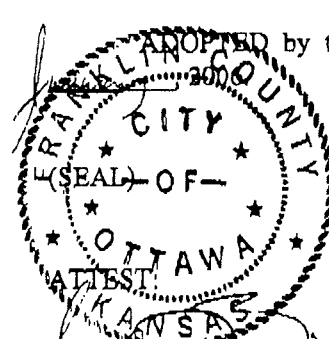
**Section 2. Pledge of Revenues; Obligation to Make Payments.** The governing body of the City hereby pledges the gross revenues (the "Revenues") of the City's electric utility system or other integrated utility system of the City of which the City's electric utility system may be a part (the

"System") to the City's payment obligations under the Purchase Agreement. The payments by the City for Electricity (as defined in the Amendment) under the Purchase Agreement shall constitute operating expenses of the System. The obligation of the City to make payments to KMEA under the Purchase Agreement, whether or not reduced to judgment, shall not constitute general obligations of the City, and the City shall not be required to make such payments from any source other than the Revenues.

**Section 3. Rate Covenant.** The City will fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by or through the System, including all repairs, alterations, extensions, reconstructions, enlargements or improvements thereto hereafter constructed or acquired by the City, as will produce Revenues sufficient to (a) pay all operating expenses of the System, including the obligation to make payments under the Purchase Agreement; (b) pay the principal of and interest on all the bonds and any other indebtedness of the System (the "System Indebtedness") as and when the same become due; and (c) provide reasonable and adequate reserves to satisfy covenants in the resolutions authorizing System Indebtedness and for the general protection and benefit of the System.

**Section 4. Effective Date.** This Resolution shall take effect and be in full force from and after its adoption by the governing body of the City.

ADOPTED by the governing body of the City and signed by the Mayor this 13<sup>th</sup> day of April, 2009



*[Signature]*  
City Clerk

*[Signature]*  
Mayor

**Agenda Item: HI.C**

**City of Ottawa  
City Commission Meeting  
March 5, 2025**

**TO:** Mayor and City Commission  
**SUBJECT:** Resolution Accepting Public Infrastructure: Reconstructed in the area of  
200 - 900 blocks of East 23<sup>rd</sup> Street  
**INITIATED BY:** Neighborhood and Community Services  
**AGENDA:** New Business

---

**Recommendation:** It is recommended by Staff that the City Commission consider the approval of the resolution (XI.C.I) accepting public infrastructure improvements from the 200 block to the 900 blocks of East 23<sup>rd</sup> Street.

**Background:** The City Commission's acceptance of the public infrastructure improvements to 23<sup>rd</sup> Street associated with the Victory Dodge and Victory Chevy dealerships marks the final step in a development agreement initiated on May 1st, 2023. With a total cost estimate of \$1,843,230, these improvements represent a significant investment in public infrastructure. The work area, shown on attachment XI.CI.II, is generally 23<sup>rd</sup> Street between the west Walmart entrance and the Rock Creek bridge, and was completed by GB Construction. BG Consulting, the City Engineer, regularly performed construction observation and concrete testing, and has certified its completion and readiness for acceptance as of December 3rd, 2024, by the attached letter (XI.C.III). This endorsement ensures that the infrastructure meets all municipal standards and is suitable for long-term public use.

**Analysis:** By accepting the infrastructure, the City Commission formally integrates these improvements into the city's public assets, assuming responsibility for their future maintenance and operation. This decision not only facilitates enhanced accessibility and services for the Victory dealerships but also contributes to broader economic and community benefits. The approval process reflects a collaborative effort between the private sector and municipal authorities to support local business development while ensuring compliance with regulatory and engineering standards. Ultimately, the City Commission's acceptance reinforces the city's commitment to structured growth and infrastructure sustainability.

**Financial Considerations:**

The total estimated public improvement cost of \$1,843,230 included:

\$1,547,060 for streets and stormwater;  
\$119,850 for waterline; and  
\$138,408 for sanitary sewer.

The public has participated in the cost of these improvements through a Tax Increment Financing (TIF) district and the issuance of Industrial Revenue Bonds which provided a sales tax



exemption for the total project, public and private improvements, up to \$9.5 million. These costs have not yet been certified for the TIF.

Infrastructure carries with it the costs of maintenance into the future, but there are no direct costs at this time.

**Legal Considerations:** Approve as to Form

**Recommendation/Actions:** It is recommended that the City Commission deliberate approval of the recommended resolution to accept public infrastructure improvements from the 200 block to the 900 blocks of East 23<sup>rd</sup> Street:

- Take action at the March 5, 2025, Regular Meeting:  
“Recommend approval of the resolution to accept public infrastructure improvements to 23<sup>rd</sup> Street.”
- Recommend the item be moved to a future City Commission meeting for further discussion and consideration.

**Attachments:**

- XI.C.I Resolution Accepting Public Infrastructure
- XI.C.II Map of Work Area
- XI.C.III City Engineer Letter



RESOLUTION NO.

A RESOLUTION ACCEPTING THE PUBLIC IMPROVEMENTS TO 23<sup>rd</sup> STREET IN THE CITY OF OTTAWA, KANSAS.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OTTAWA, KANSAS,

**SECTION 1.** That the Mayor and City Clerk are hereby authorized and directed to execute this resolution, for the purpose of accepting the public improvements associated with all public streets, storm drainage system, sanitary sewer system, and water lines as approved and recommended by the City Engineer, associated with the reconstruction of 23<sup>rd</sup> Street from the west Walmart entrance to the Rock Creek bridge in the City of Ottawa, Franklin County, Kansas.

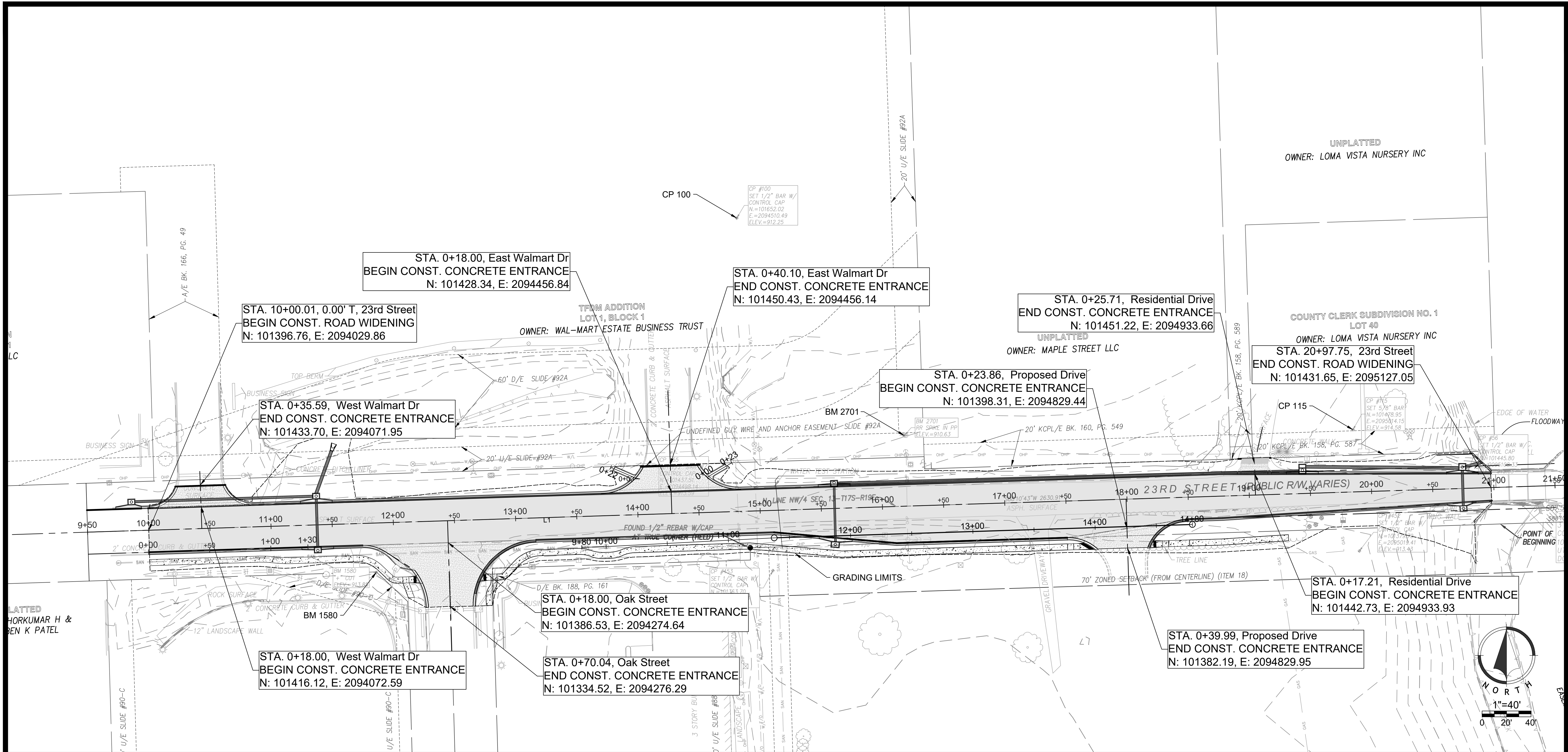
**SECTION 2.** This resolution shall be in full force and effect from its adoption.

**SECTION 3.** PASSED AND ADOPTED by the Governing body of the City of Ottawa, Kansas this 5<sup>th</sup> day of March, 2025.

ATTEST:

\_\_\_\_\_  
Emily Allen, Mayor

\_\_\_\_\_  
Melissa Reed, City Clerk



23rd Street Public Improvement Plans  
21-0162  
23rd Street  
Ottawa, Franklin County, Kansas

General Layout

NO.	DATE	REVISION
9	2023-10-20	Revised Road Profile
8	2023-09-19	Revised Storm Line A
7	2023-09-10	West Crown Transition R2
6	2023-07-18	West Crown Transition
5	2022-10-17	Per City Comments
4	2022-09-23	Per City Comments
3	2022-09-02	Per City Comments
2	2022-06-03	Per City Comments
1	2022-03-30	Original Submittal

DRAWN BY: DAD CHECKED BY: GN

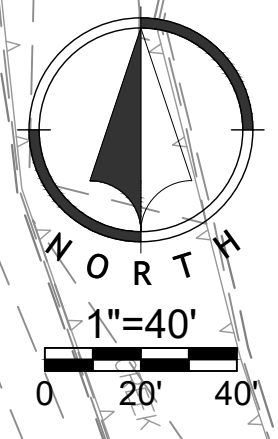
**Renaissance Infrastructure Consulting**  
5015 NW CANAL STREET, SUITE 100  
RIVERSIDE, MISSOURI 64150  
816.800.0950  
WWW.RIC-CONSULT.COM  
KS Certificate of Authority: E-1814

**COORDINATE SYSTEM**  
HARN/KS Kansas State Planes, North Zone, US Foot

**BENCHMARK**  
PROJECT BENCHMARK 1580: ELEV. = 913.85  
CUT "+"  
PROJECT BENCHMARK 2701: ELEV. = 910.63  
RAILROAD SPIKE IN POWER POLE

SURVEY CONTROL POINTS				
POINT	NORTHING	EASTING	ELEVATION	DESCRIPTION
100	101652.02	2034510.49	912.25	Set 1/2" Bar w/Control Cap
115	101478.95	2095014.15	914.58	Set 5/8" Bar

23rd Street												
Number	Length	Radius	Direction	Start Station	End Station	Delta Angle	Chord Length	Start Direction	End Direction	PI Station	Start Point	End Point
L1	1200.000		N88° 10' 42.56"E	9+50.00	21+50.00						N: 101395.17, E: 2093979.88	N: 101433.31, E: 2095179.27



gnehuis  
 Oct 20, 2023 4:53pm  
 C:\Users\gnehuis\AppData\Local\Temp\AcPublish\_2928\21-0162\_general layout.dwg



February 21, 2025

Lucas Neece  
Director, Neighborhood and Community Services  
City of Ottawa  
101 S. Hickory Street  
Ottawa, KS 66067

Re: 23<sup>rd</sup> Street Public Improvements

Dear Lucas,

To the best of our knowledge, GB Construction has completed the work for the 23<sup>rd</sup> Street Public Improvements project in general conformance to the plans and specifications. The work included reconstruction of 23<sup>rd</sup> Street from the west Walmart entrance to the Rock Creek bridge. This work was completed as part of the Victory Dodge improvements. The final punch list items noted previously were completed December 3, 2024. This project can be accepted by the City of Ottawa at the City Commission's discretion.

Please let me know if you have any questions. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Hamby', is written over a light blue horizontal line.

David J. Hamby, P.E., CFM  
Vice President



**Agenda Item: XI.D**

**City of Ottawa  
City Commission Meeting  
March 5, 2025**

**TO:** City Commission  
**SUBJECT:** Ottawa Memorial Auditorium Strategic Plan  
**INITIATED BY:** Ottawa Memorial Auditorium Director  
**AGENDA:** New Business

---

**Recommendation:** Review and acknowledge the strategic advantages of maintaining OMA’s position as a premier event and entertainment center. Consider future investments in facility improvements, marketing initiatives, and community engagement strategies. Continue infrastructure upgrades to enhance system reliability and operational efficiency. Acknowledge the report and provide direction on potential investments in facility improvements, marketing initiatives, and community engagement strategies to support the long-term sustainability of the Ottawa Memorial Auditorium (OMA).

**Background:** The Ottawa Memorial Auditorium (OMA) Strategic Plan was created through three strategic planning sessions involving OMA staff, HR Director Michelle Stegman, the OMA Advisory Board, and the Friends of the OMA Board. Moderator Lee Stadler also conducted interviews with board members separately to gather additional insights and ensure a comprehensive perspective.

**Analysis:** The Strategic Plan outlines key priorities and strategic goals in five areas:

**1. Branding & Awareness**

- Rebrand OMA to highlight its dual identity as both an entertainment hub and premier event center.
- Expand OMA’s marketing efforts, including enhanced digital engagement and regional partnerships.
- Develop a long-term event calendar to foster engagement from patrons, sponsors, and promoters.

**2. Facility & Infrastructure Improvements**

- Address critical capital improvements such as kitchen remodel, ADA accessibility, front step repairs, and possible expansions.
- Explore investments in technology, including online ticketing enhancements and potential recording studio development.
- Evaluate the feasibility of hiring a third full-time staff member as event bookings increase.

### 3. Revenue Growth & Financial Stability

- Diversify revenue streams through corporate sponsorships, grants, and new event-driven revenue sources.
- Establish large-scale tent-pole events to generate sustainable income.

### 4. Community & Stakeholder Engagement

- Strengthen partnerships with Ottawa University, local businesses, and regional organizations to increase attendance.
- Expand volunteer and board engagement to enhance community outreach.
- Develop special programming to engage diverse audience demographics.

### 5. Long-Term Vision & Expansion

- Position OMA as a leading regional venue for mid-sized performances while maintaining its unique identity.
- Create a multi-year roadmap for facility enhancements, including outdoor performance capabilities.
- Explore the feasibility of OMA-hosted festivals to establish OMA as a cultural destination.

**Financial Considerations:** Investment in infrastructure, staffing, and marketing efforts will be phased over a five-year period to ensure financial sustainability. Funding will be pursued through a combination of grants, corporate sponsorships, and strategic partnerships.

**Legal Considerations:** No legal issues have been identified at this stage. Future expansions and enhancements will comply with all relevant regulations and codes.

**Recommendation/Action:** Acknowledge the report and provide suggestions on potential investments in facility improvements, marketing initiatives, and community engagement strategies to support the long-term sustainability of the Ottawa Memorial Auditorium.

#### **Attachments:**

XI.D.1 OMA Strategic Plan Final Report



# Strategic Planning Ottawa Memorial Auditorium

---

January 2025

OTTAWA MEMORIAL  
AUDITORIUM

1919

## Overview

Strategic Planning Is...  
How We Use Insights To...  
Our Ideas Become...  
Context Matters

## Discovery

Our Demographics Are...  
Our Psychographics Are...  
Our Influences Are...  
Theaters Around Us Are...

## Analysis

Primary Focal Points for Planning  
Understanding the Future  
Realizing the Past  
Acknowledging the Present



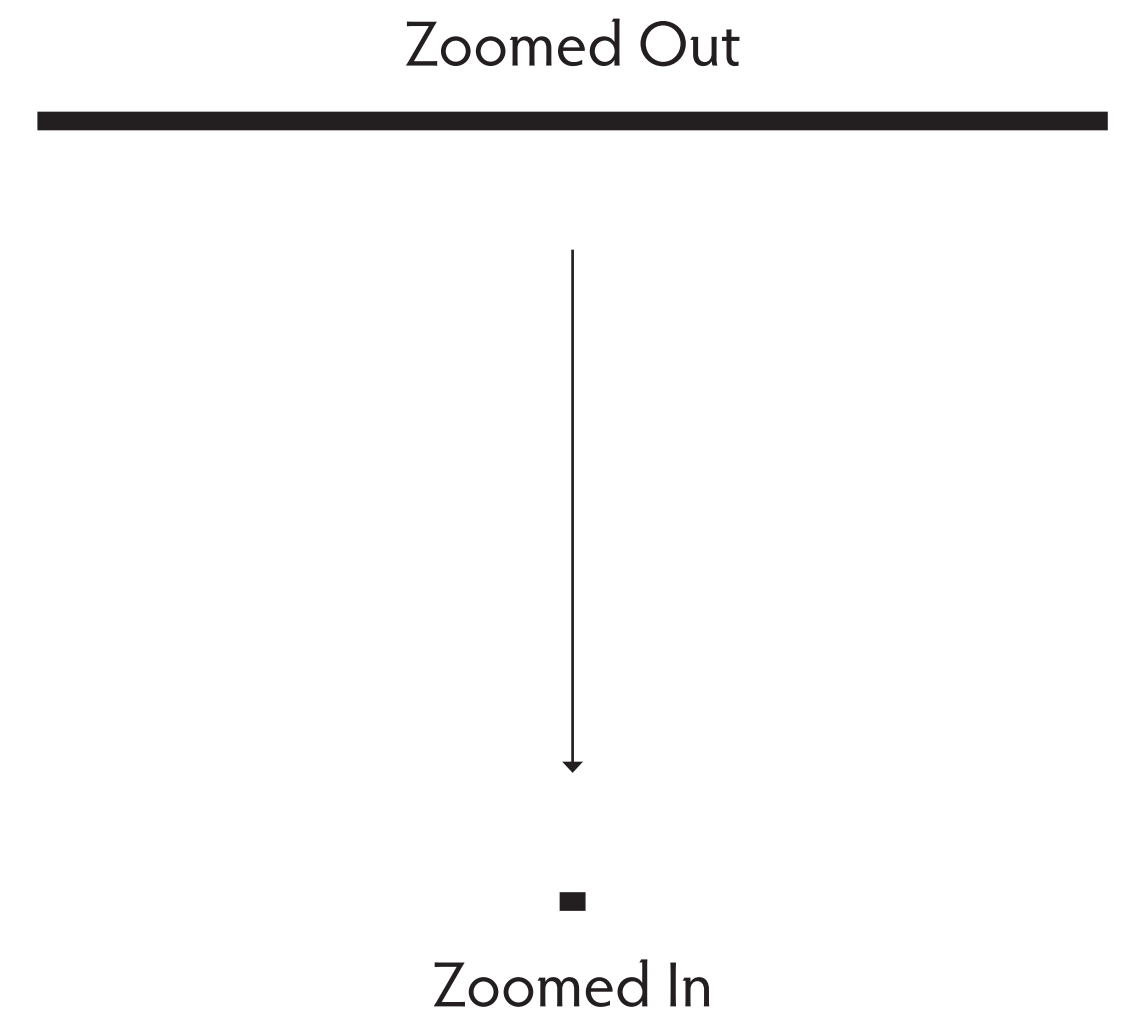
# Strategic Planning Is

A means of uncovering, understanding, assessing, and addressing future goals and the obstacles that might get in their way.

It involves an understanding of mission, direction, resources, and most importantly, the people involved in the creation and maintenance of their ecology.

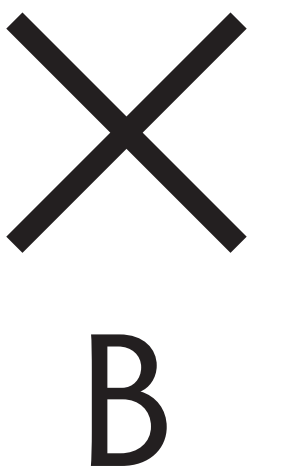
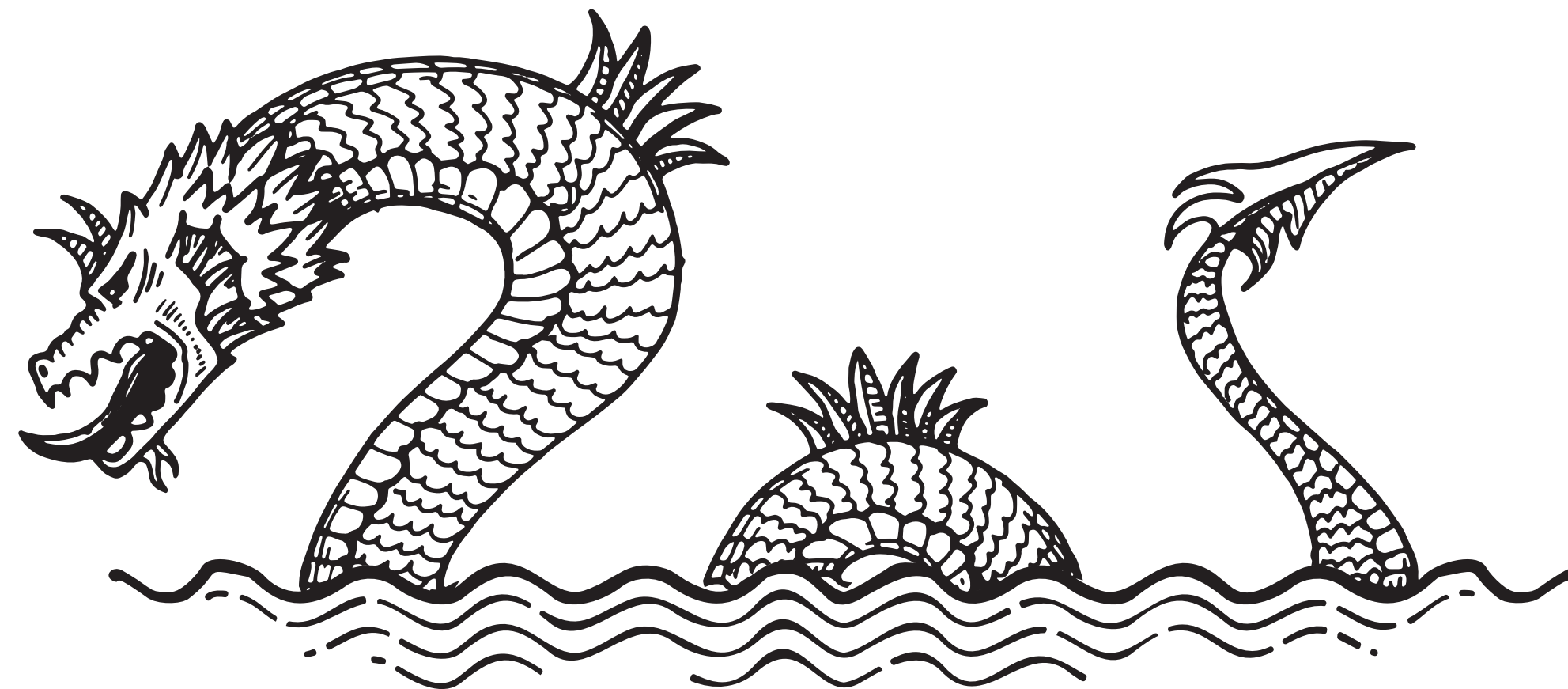
Phases or stages of planning borrow heavily from Human Centered Design principles and commonly include:

- Defining** (mission and vision)
- Position Assessment** (what does the organization mean to its ecology?)
- Forecasting** (a future outlook)
- Orienting** (setting the direction for the organization)
- Strategic Objectives** (things that make the forecast plausible)
- Stakeholder Alignment** (understanding who interacts with the organization, how, when, where, and why)
- Strategy Mapping** (plotting an actionable course towards the strategic objectives)
- Strategic Initiatives** (viable components that fit within the strategic mapping)
- Prioritization** (managing the objectives for the initiatives in a clear manner)
- Implementation** (develop, execute, manage, review, and revise the plan)



# Concisely...

How do we think about where we are vs. where we'd like to be and actually make it happen?



# We Use Insights To

Uncover patterns stakeholder behavior and organizational operations

# Our Ideas Become

A grounded, co-facilitated basis that enable us to bridge the present and the future by understanding the past

# Context Matters Because

We all have preferences, biases and memories. These are all reliable informants for the contexts in which they were formed. But, we are building new contexts that require us to put them into perspective in light of a dawning future, one that we hope to be better and brighter.



OTTAWA MEMORIAL  
AUDITORIUM

1919

# Discovery

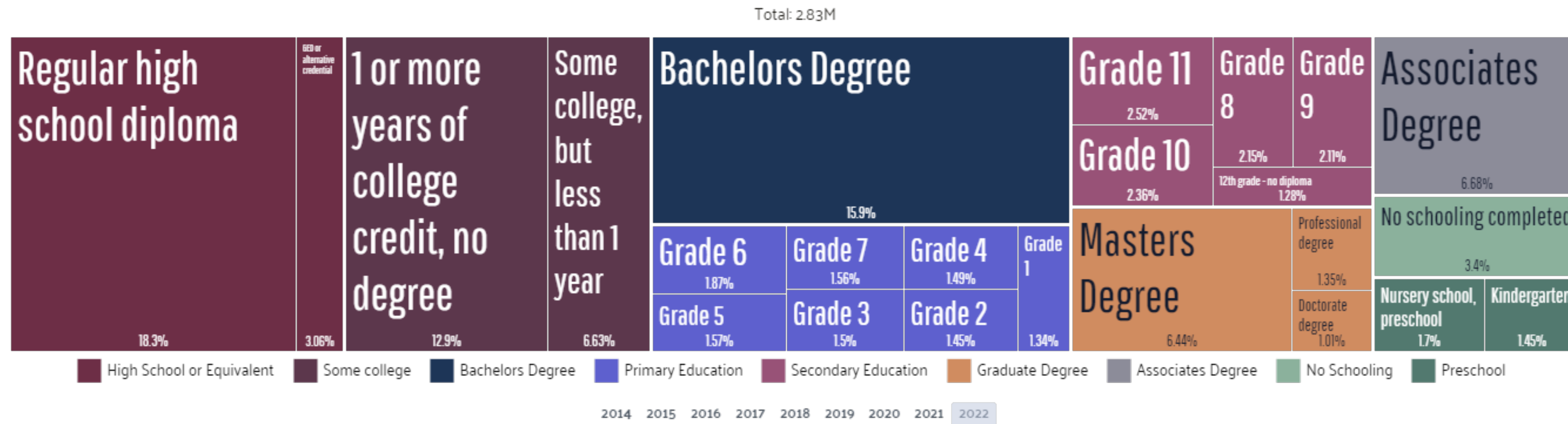
# Demographics (quantifiables)

Regional Data - Franklin County



# Demographics (quantifiables)

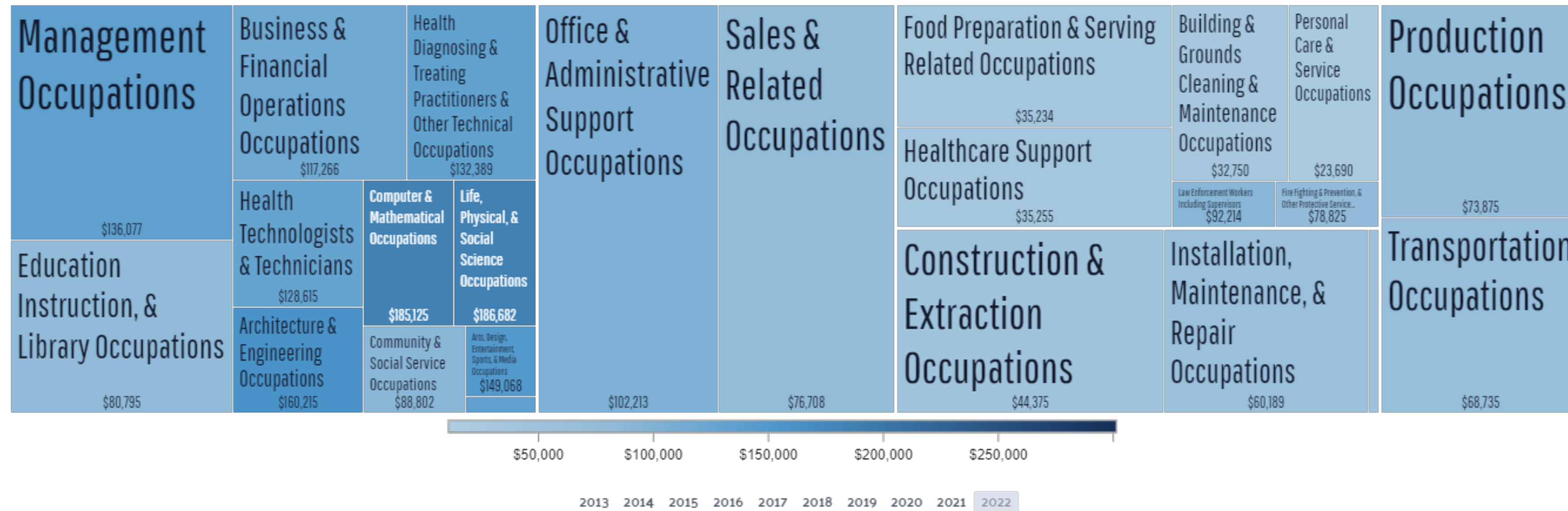
Regional Data - Franklin County





# Demographics (quantifiables)

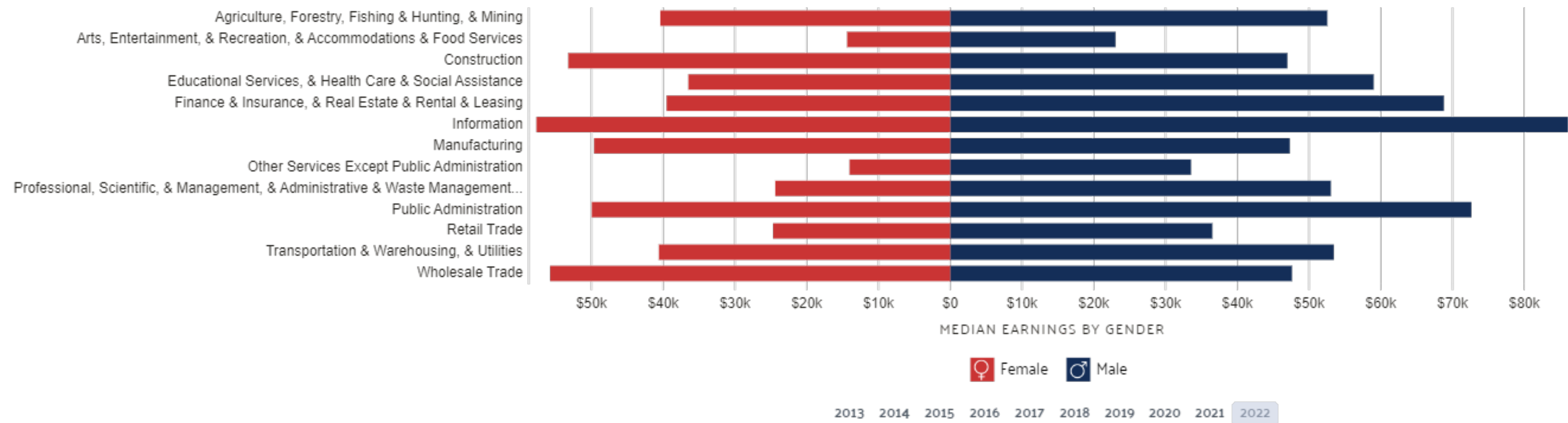
Regional Data - Franklin County





# Demographics (quantifiables)

Regional Data - Franklin County



# Psychographics (qualifiabiles)

## **Involved (This is where we assume we'd like everyone to be)**

These people volunteer and contribute beyond attending shows  
They are community members

## **Attend Shows/Facilities**

### **(This is where we assume the majority of the goodwill exists)**

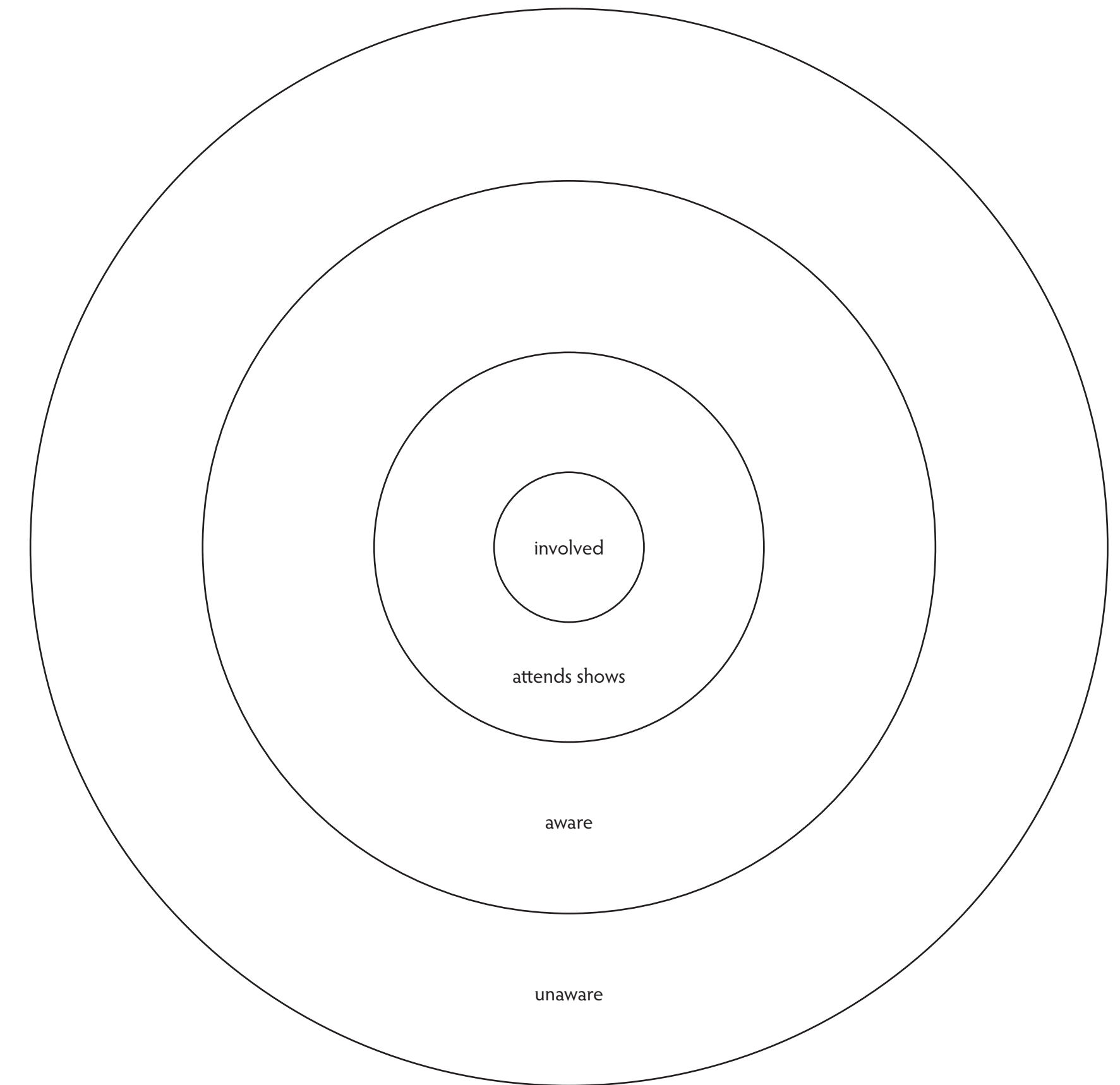
Ottawa residents are not the majority stakeholder  
These people attend shows or events  
Local populations are a small but core group of attendees  
Country music  
Patriotic themes  
Dance performances/recitals (these are primarily family driven in attendance)  
Regional or national populations attend for  
Cost reduction compared to other outlets

## **Aware (This is where we might get frustrated)**

These people know that OMA exists but may interact sporadically or not at all

## **Unaware (This is where we might be surprised)**

These people have no idea that OMA exists



# Theatres Around Us

## Involved (This is where we assume we'd like everyone to be)

These people volunteer and contribute beyond attending shows  
They are community members

<b>Humbolt Auditorium</b>	Nebraska
<b>Community Building</b>	McPherson
<b>McPherson Opera House</b>	McPherson
<b>Memorial Auditorium</b>	Chanute
<b>Independence Civic Center</b>	Independence
<b>Bowlus Fine Arts Center</b>	Iola, KS
<b>William Lindsay White</b>	Emporia
<b>Civic Auditorium</b>	
<b>Ross-Ellis Center</b>	Haviland, KS
<b>Brown Grand Theatre</b>	Concordia

## What they have in common

Size  
Population (at scale)  
Location

## How they differ

Funding  
Proximity to larger metropolitan areas  
Facility age



# Analysis

# Discovery

# Stakeholder Patterns

## Involved with OMA

- Friends of OMA

## Attends Shows Regularly

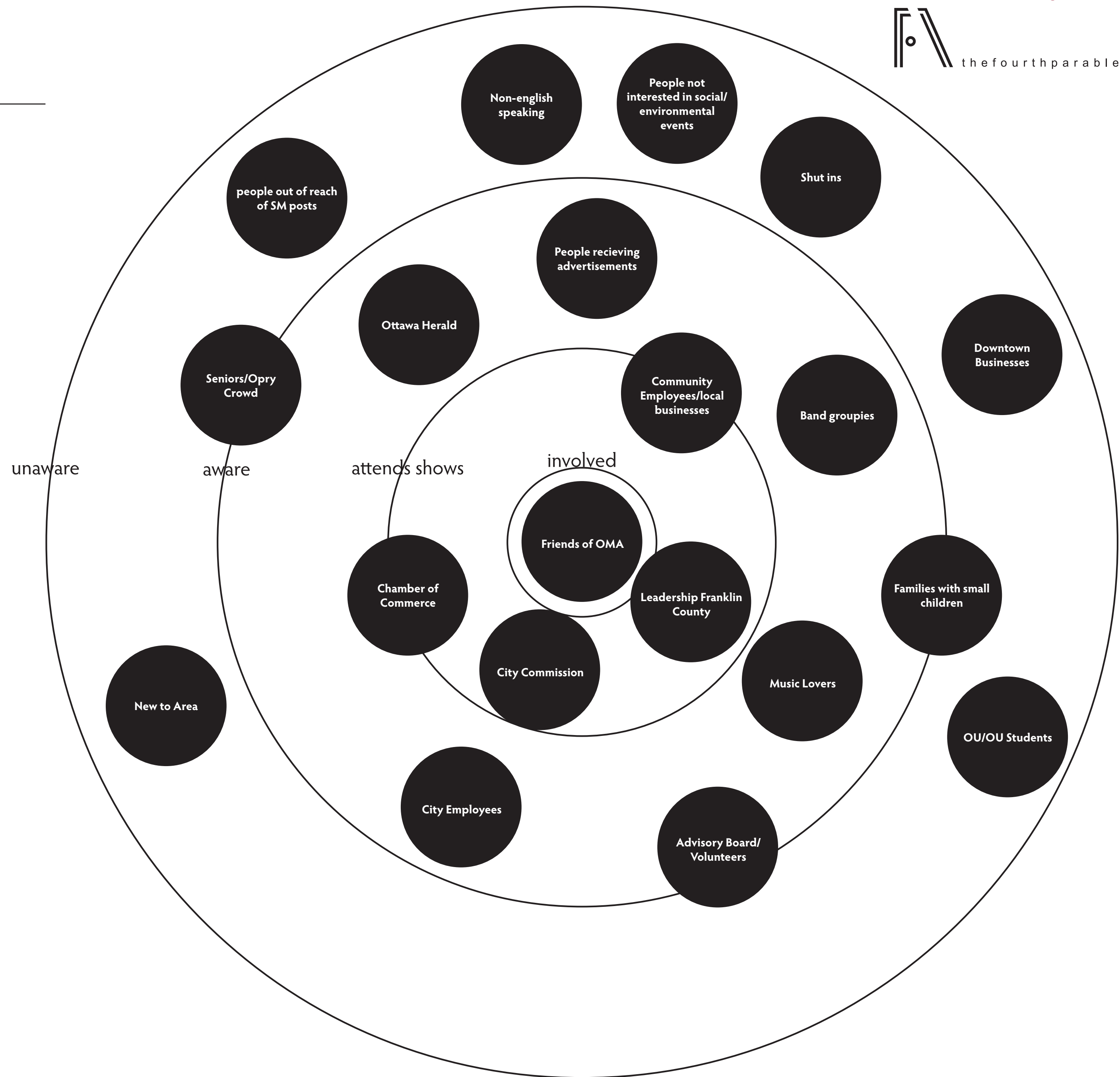
- Chamber of Commerce
- City Commission
- Leadership Franklin County

## Aware of OMA

- Community Employees/Local Businesses
- City Employees
- Advisory Board Volunteers
- Music Lovers
- Band Groupies
- People Receiving Advertisements
- Ottawa Herald

## Unaware of OMA

- Seniors
- Opry Crowd
- People New to the Area
- People Outside of SM Reach
- Non-English Speaking
- People Not Interested in Social/Environmental Events
- Shut-ins
- Downtown Businesses
- Families with Small Children
- Ottawa University and OU Students



# Discovery

# Influences

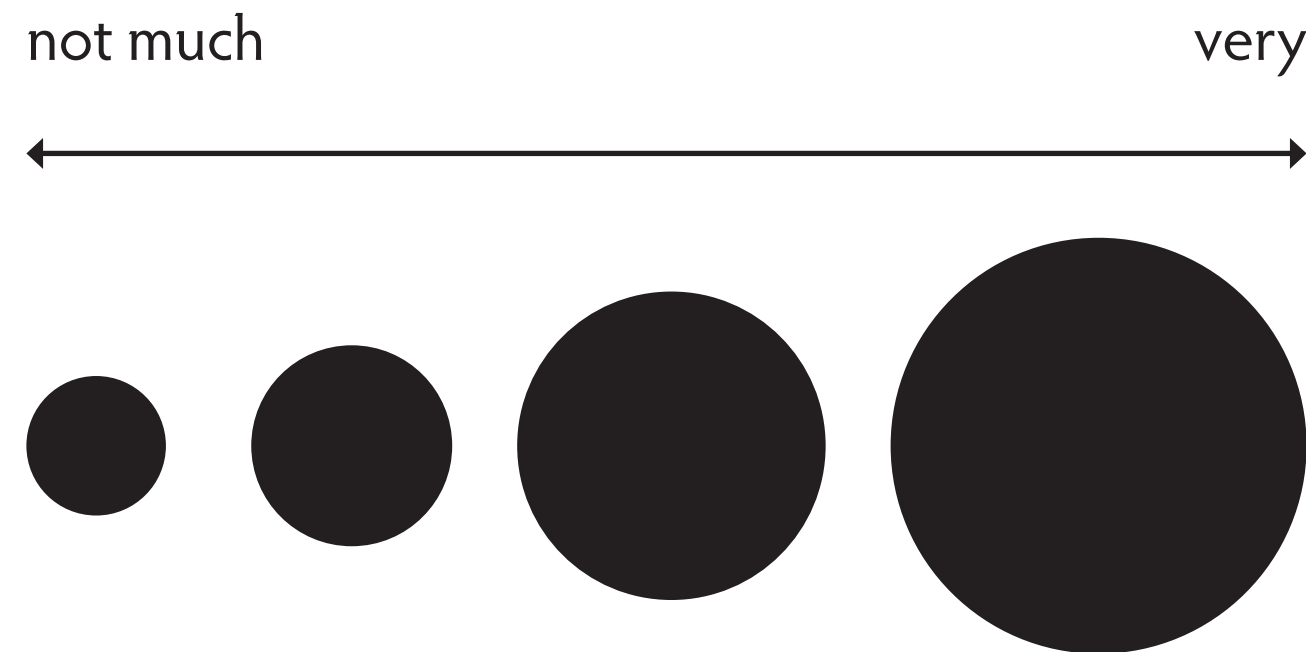
Influences are the people, places and processes that alter OMA's existence. They occur over time and in varying degree.

Some influences lead directly to a next outcome. These are causal.  
Some influences are relational and compound an outcome. These are correlative.

**utilization**  
capacity  
amenities  
accessibility  
availability

**governance**  
staff  
pricing

**revenue**  
pricing  
availability  
performer popularity



**local community**  
"small town" bias  
performer popularity

**identity**  
cleanliness  
waystation

**locality**  
proximity to large metro  
performer popularity



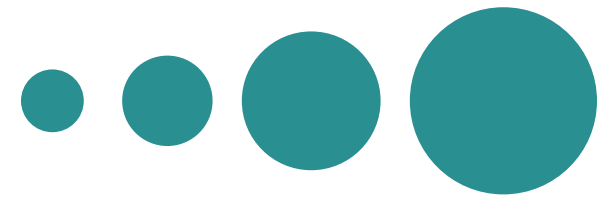
# Influence Ecology



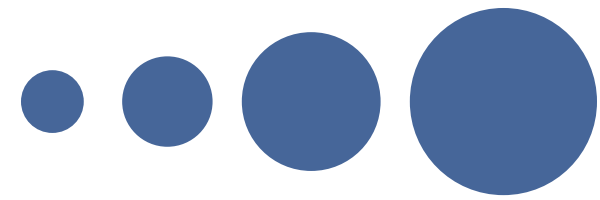
utilization



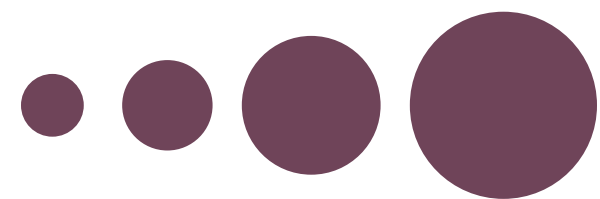
governance



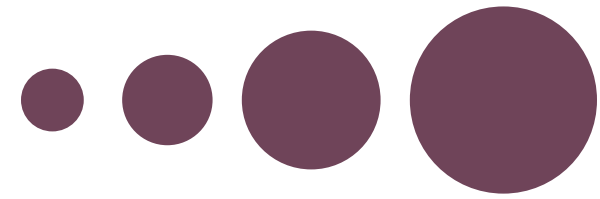
revenue



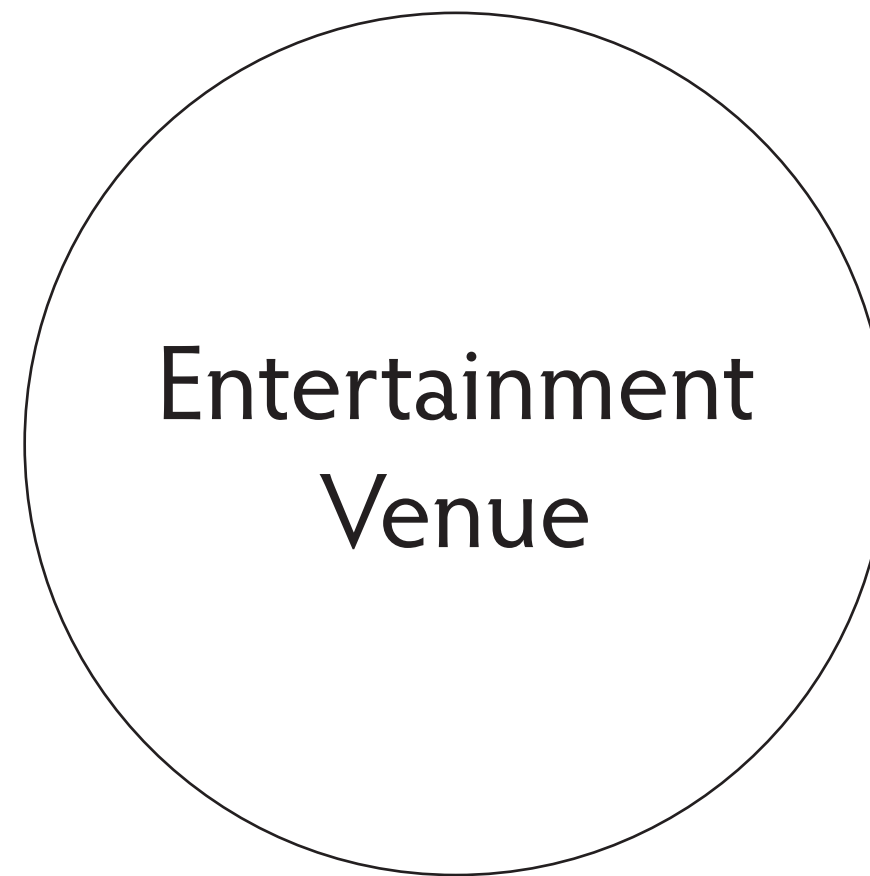
local community



identity



locality





# Barriers to Engagement

**Unpredictable  
Facilities Needs**

**Revenue  
Generating  
Shows**

**Constant  
Public Interest**

**Public  
Awareness**

**Constrained  
primary  
funding**

**Limited  
Revenue  
Streams**

### Involved with OMA

- Friends of OMA

### Attends Shows Regularly

- Chamber of Commerce
- City Commission
- Leadership Franklin County

### Aware of OMA

- Community Employees/Local Businesses
  - City Employees
- Advisory Board Volunteers
  - Music Lovers
  - Band Groupies
- People Receiving Advertisements
  - Ottawa Herald

### Unaware of OMA

- Seniors
  - Opry Crowd
- People New to the Area
  - People Outside of SM Reach
  - Non-English Speaking
- People Not Interested in Social/Environmental Events
  - Shut-ins
  - Downtown Businesses
  - Families with Small Children
  - Ottawa University and OU Students



#### Influences

- Utilization 3
- Staff 3
- Pricing 2
- Performer Popularity 4

#### Barriers

- Unpredictable Facilities Needs
- Constrained Primary Funding
- Limited Revenue Streams



#### Influences

- Performer Popularity 3
- Proximity to Larger Metro 3

#### Barriers

- Limited Revenue Streams



#### Influences

- "Small-town" Bias 3
- Performer Popularity 3
- Proximity to Larger Metro 4
  - Waystation 2

#### Barriers

- Constrained Primary Funding
- Limited Revenue Streams
- Constant Public Interest
  - Public Awareness
- Revenue Generating Shows



#### Influences

- "Small-town" Bias 3
- Performer Popularity 4
- Proximity to Larger Metro 4
  - Utilization 4
  - Waystation 2

#### Barriers

- Constrained Primary Funding
  - Public Awareness
- Revenue Generating Shows

### Untapped Values

- Develop communications that allow stakeholders to be messengers of OMA beyond event and planning volunteerism

### Untapped Values

- Form strong partnerships to expand public awareness and explore alternative revenue streams
- Create partnerships with regional and multi-state entities via similar stakeholder populations - allowing local partnerships to be the voicebox for OMA on a broader scale

### Untapped Values

- Present the narrative of OMA as a partner in revenue generation for local and regional businesses
- Present the narrative of OMA as a multi-faceted production facility that extends beyond the stage and meeting rooms

### Untapped Values

- Change the impression of what can be offered to a national audience at a smaller venue
- Present the narrative of OMA's long history of outstanding performers
- Present the narrative of OMA as a multi-faceted production facility that extends beyond the stage and meeting rooms

# How do these groups connect?

## Involved with OMA

- Friends of OMA

## Attends Shows Regularly

- Chamber of Commerce
- City Commission
- Leadership Franklin County

## Aware of OMA

- Community Employees/Local Businesses
  - City Employees
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  - Music Lovers
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# What it Means as an Identity

## Self

OMA is a presence of great historical and personal significance within the Ottawa Community. It's presence and significance are often shrouded by its influences and barriers.

Externally, it is a viable and budget-friendly option for concert goers facilities rental needs.

## Relationship

OMA connects participants by engaging them where they are in life and providing an opportunity for contexts they may not be used to alongside peoples from a variety of life walks and socioeconomic statuses.

## Community

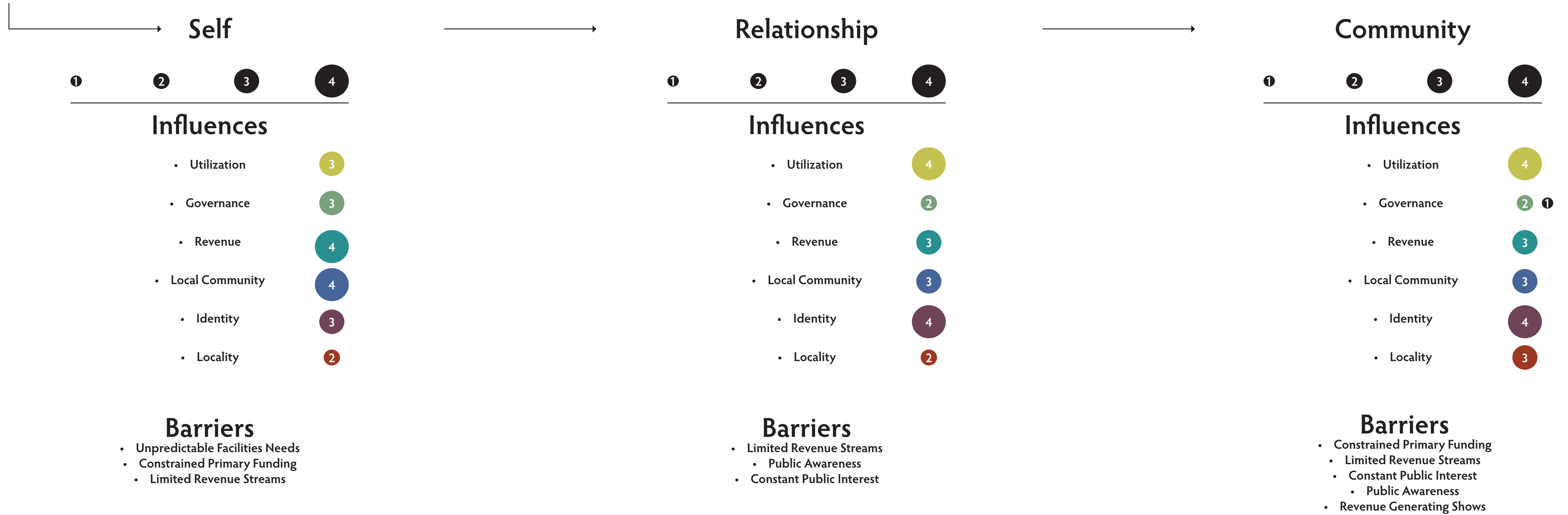
OMA provides the means of formation for collaborative events that instill and encourage common goals with their membership and within the local community at large. It is a hub. It is one of few live or streaming entertainment providers in its demographic set.

These aspects of identity are either stewarded or in degradation, beginning with **"community"**.

Any bridge developed as part of the strategic planning process must address their impact within these 3 strata.

# Discovery

## Identity Formation



### Summary

- Increasing revenue streams through greater utilization and a greater variety of utilization will afford potential for new staff hires and the ability to address "small town" bias and performer popularity issues
  - OMA will always be a smaller physical venue.
  - OMA is an idea, not just a place

### Summary

- Mid-tier stakeholders are not aware of OMA beyond a performance facility. They are unaware of the product/service offerings OMA produces and misconstrue it accordingly

### Summary

- Revenue generation is a means of relaying identity to a larger audience pool. This may increase utilization rates for OMA beyond its establishment as a physical space. OMA has the potential to be a source for content creation and event strategy beyond its current footprint. To do so effectively would require an identification of those extended components as well as the staff support required for their upkeep.

We Know Our Stakeholders  
We Know Their Influences  
We Know Their Barriers

We Know Our Identity  
We Know its Influences  
We Know its Barriers

# OMA 5-Year Outlook to Address

## Budget

Become financially flexible, able to support necessary improvements, initiatives and staff growth without strain.

## Awareness

Become a national destination for small to medium entertainment events and establish an annual music festival.

## Viability

Become the hub for entertainment and community engagement and event cohesion for the surrounding area and a larger sphere of operation at a regional and national scale.



# Lessons from the Past

## 50 years ago

- Building closed due to lack of maintenance
- Remodel begins
- Mustard yellow interior
- Active friends group

### Summary

A lack of leadership leads to an evaluation of the space and its purpose - renovations and greater degrees of oversight

## 40 years ago

- Johnny Cash performs
- Fly system in stage installed

### Summary

World-class performances occur. But, they are exceptions to the rule

## 30 years ago

- Opry implemented
- Nitty Gritty Dirt Band performs
- Many music and dance troupes perform

### Summary

Smaller and varied performances serve as entertainment. Facilities updates have stopped. Friends of OMA are no longer mentioned.

## 20 years ago

- County spelling bees are held
- School musicals and plays take place

### Summary

Integration with county, city and school district-level initiatives take place. OMA is diversified as a place, but holds little direction as an identity

## 10 years ago → The Present

- Poor attendance
- Poor maintenance
- OHS builds performing arts center
- Tiff Evans hired as director
- Noah and Eddie hired
- Renamed Ottawa Memorial Auditorium
- Advisory board and friends board reactivated
- Remodel begins
- COVID livestreaming of events
- Sold out show featuring Aaron Watson
- 100 year celebration

### Summary

Lack of leadership reaches critical mass. Attendance suffers. The facility suffers. Each of these elements combine via a general lack of leadership and a lack of clarity for what OMA is supposed to be. Tiff Evans as director helps lead efforts to revitalize and stabilize OMA as a valuable presence. Boards take part in leadership once again. Renovations are made. OMA endures a pandemic and hosts a sold-out show.



# Movement Towards the Future

The Present → 10 years ahead      20 years ahead      30 years ahead      40 years ahead      50 years ahead

- Hire 3rd full-time staff
- Create greater community awareness
- OMA as a "venue"
- OMA as a war memorial
- Parents night offering sitter services once per month
- Commercial, state-certified industrial kitchen
- Rebranding campaign
- Sponsorships and grants
- Finances set aside for repairs and maintenance
- Additional revenue streams
- Facility enhancements listed on CIP schedule
- Elevator/accessibility
- Front step repair

- Elevator
- Venue for local artists to sharpen their chops
- Taps and Tunes as a regional music and beer festival
- Other festival of some sort
- Annual cowboy poetry event
- Revival of community theatre
- Go-to for family entertainment
- 5 sold-out shows per year

- OU student interest large enough to dictate concerts
- Recording studio
- Complete community engagement and buy-in
- Extend front of the building
- Establish various concert series (jazz, pop, country, christian)
- Youth bluegrass festival

- Auditorium expansion
- Dinner theatre
- Outdoor stage

- Launchpad for local to international artists
- Nationally known venue

- Jazz series
- Renovation
- Registered as historical site
- 150 yr celebration

**Summary**

The 0-10 year hope is continued facilities updates, the establishment of OMA as a more thorough identity, greater community awareness, greater esteem through shows and a solidified and stable financial structure

**Summary**

Ottawa University is desired as a partner and OMA increases its functional scope and community engagement

**Summary**

Large-scale facilities updates take place and alternative forms of theatre are established

**Summary**

OMA is now nationally known as a venue and serves as an origin story for local artists

**Summary**

Renovations take place. OMA is on the register. The 150th celebration occurs and

## Analysis

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# Primary Focal Points from Stakeholder Feedback

### Budget

#### Operational Costs

- Licensing
- Shows
- Repairs
- Development (advertisements, outreach)
- Overhead (repairs, maintenance, etc.)

#### Revenue Streams

- City funding
- Facilities rentals
- Grants
- Donations
- Rentals
- Shows

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Shows may bring in the biggest crowds but they may also be one of the biggest expenses (depending upon the performance) and be infrequent in occurrence.

### Awareness

#### Internal Community

#### External Relationship

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Locally, OMA provides an opportunity for those with affinity to return the favor and give back to their community. These stakeholders want to see OMA thrive. Externally, it is a low-cost ticket.

### Viability

- As a concert venue
- As a rental facility

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OMA serves multiple purposes as a venue for events and host for meetings spaces. With OMA's footprint, there exists the potential for greater utilization of concurrent spaces.

# Primary Areas of Interest

## **Budget**

Build a community-wide calendar for events that includes

- OMA
- City
- County
- ORC
- USD290

Other separate but interested parties to reduce the cognitive load placed upon departments and potential interests and to show cohesion

Form partnerships with a larger sphere or corporate sponsors outside of the Ottawa radius to afford a wider variety of talent

## **Awareness**

Capture stakeholder feedback to use as promotional narrative

Partner with artists to promote the venue

Build out OMA's online presence as a host to high-talent performers

## **Viability**

Promote OMA as a premier venue for intimate audience settings and as a stop in between larger tour locations

Start a music festival

Start a theatre festival

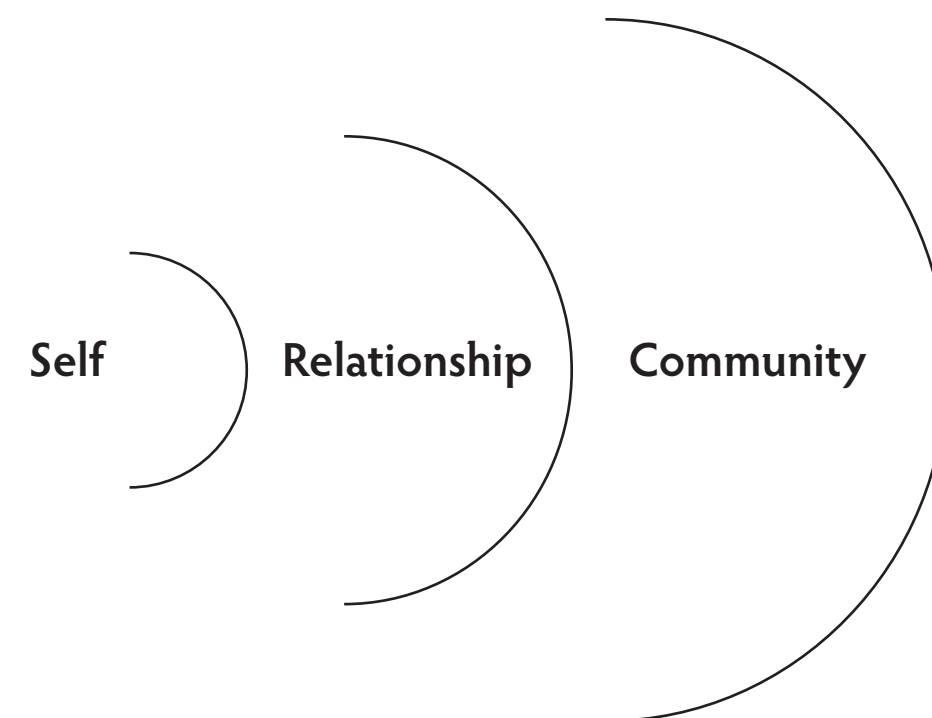
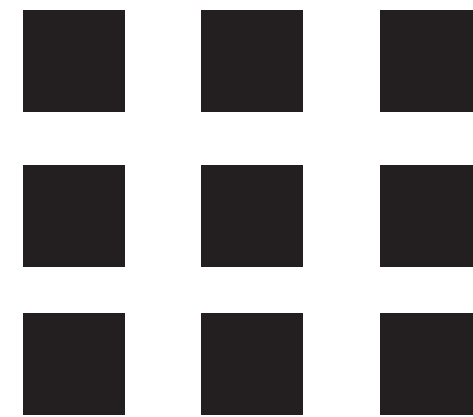
Upgrade accessibility

Install rear freight elevator

Repair Front Steps

# Filtering Impact

Interests and  
Initiatives



What is done

How it's done

Why it's done



# 5-Year Strategic Priorities





# 5-Year Priorities

1

Brand OMA as:  
OMA Entertainment  
OMA Event Center

To clarify OMA intents and capabilities and to be able to market to these specific audiences accordingly, able to reach the planning committees stated goals

2

Enact Capital  
Improvements

To support OMA's 5-year and beyond goals, investment in infrastructure and additional positions is required over a phased implementation.

3

Build a Comprehensive  
Outreach Campaign

To reach the scale and diversity required of OMA's goals as hub for event and entertainment beyond its current scope a comprehensive outreach plan must be developed that incorporates a 1-5 year outreach outlook, capturing the intended audiences within their radius of living and encouraging potential investors and partner organizations

4

Concretize Alternative  
Revenue Streams

Supporting growth will require the establishment of non-ticket revenue streams., including possible: grants, corporate partnerships, the establishment of tent-pole events as larger revenue generating festivals

5

Expand the OMA  
Partner Ecosystem

To expand each of OMA's key priorities: Awareness, Budget and Viability, will require establishing new partnerships with new financial/corporate entities and through the expansion of the OMA volunteer board activities and a partner group



# 1

## **Brand OMA as: OMA Entertainment OMA Event Center**

To clarify OMA intents and capabilities, and to be able to market to these specific audiences accordingly, able to reach the planning committees stated goals.

### Goals



- Re-brand towards goal of Entertainment and Event Center - kept on point as historically relevant and contemporarily significant
- Build out recording studio capabilities to increase versatility in scheduling and bookings
- Create a prospective calendar to foster interest from sponsors and partners
- Increase quality of life in the region

### Objectives

- Expanded radius of ticket holders from a larger radius of intentional outreach
- Local Special Interest Events
- "Whole Use" facilities rental for conferences
- Banquet Venue
- Wedding Venue
- Create comprehensive event calendar to establish OMA as the region's entertainment source
- Create lecture series
- Book concurrent shows
- Unveil re-brand as a necessary fixture, able to engage a diversity of needs
- Home for podcast production
- Host for lecture circuit
- Reservation Packages
- Bookings Packages
- Affinity segmented events
- Visibility on physical mains within the region
- Enhance the quality of life in the immediate community
- 3/4 capacity usage for every show
- Shows for all audiences
- Expanded use as an educational space

# 2

## Enact Capital Improvements

To support OMA's 5-year and beyond goals, investment in infrastructure and additional positions is required over a phased implementation.

### Goals



### Objectives

- Develop technology improvement plan
- Develop ADA improvement plan
- Develop structural improvement plan

- Add 3rd full-time staff
- Perform best-fit digital platform audit to determine requirements for online engagement

# 3

## Build a Comprehensive Outreach Campaign

To reach the scale and diversity required of OMA's goals as hub for event and entertainment beyond its current scope a comprehensive outreach plan must be developed that incorporates a 1-5 year outreach outlook, capturing the intended audiences within their radius of living and encouraging potential investors and partner organizations.

OMA will require a larger outreach footprint and maintenance plan with strategic priorities made for

- Website development
- Social media development
- Multi-channel advertising

This will require resources and expertise in, marketing, advertising & communications at scale.

### Goals



### Objectives

- Create a comprehensive outreach plan for marketing, advertising, public relations across viable media channels to relay OMA's capabilities and capacities
- Garner outside input via cadence of surveys to capture long-term anecdotal impressions across regions
- Expand OMA's visual footprint within the Franklin County area

- Content and Asset development and maintenance
- Promo videos from visiting artists
- Promo content for upcoming shows
- Promo content to advertise space in use
- Year in review reel
- Establish ties with local entities such as the utilities department in Ottawa, KS
- Establish promotional video series to detail capabilities and explore video content capacity
- Establish greater positive awareness within the regional governmental community as a way to encourage promotion
- Increase local, regional and national knowledge of OMA's narrative



# 4

## Concretize Alternative Revenue Streams

Supporting growth will require the establishment of non-ticket revenue streams., including possible: grants, corporate partnerships, the establishment of tent-pole events as larger revenue generating festivals.

### Goals →

- Develop sponsorship packages for corporate entities
- Create long-term corporate partnerships to offset funding
- Establish OMA merchandise capabilities with low overhead

### Objectives

- Build a TGT plan for inclusion in Franklin County budgeting
- Expand Event Offerings
- Establish 5-year goal for grants

# 5

## Expand the OMA Partner Ecosystem

To expand each of OMA's key priorities: Awareness, Budget and Viability, will require establishing new partnerships with new financial/corporate entities and through the expansion of the OMA volunteer board activities as a partner group.

### Goals



### Objectives

- Establish stronger partnerships with local government
- Build and maintain a stakeholder ecosystem
- Expand the community influence capabilities of the OMA Board and Friends of OMA Board

- Determine partnerships categories for corporations
- Determine partnerships with similar organizations to possibly pool a calendar of events
- Build a welcome kit and outreach pipeline for new businesses
- Create a a partnership with Ottawa University
- Expand partnership affiliations with groups such as realtors who have visibility into community clientele

**Agenda Item: XI.E**

**City of Ottawa  
City Commission Meeting  
March 5, 2025**

**TO:** Mayor and City Commission  
**SUBJECT:** Critical Electrical Repair at Ottawa Memorial Auditorium (OMA)  
**INITIATED BY:** Director of Ottawa Memorial Auditorium  
**AGENDA:** New Business

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**Recommendation:** Recommend City Commission approval of the critical electrical repair at the Ottawa Memorial Auditorium (OMA).

**Background:** OMA has a 1200-amp panel located outside, serving as the fused service disconnect for the interior electrical panels and several A/C units, including the four main units.

On Friday, September 6th, it was discovered that the four main A/C units were not turning on. Troubleshooting by BCI Mechanical and the City of Ottawa Electric Distribution team revealed that the A-phase on the line side of the fuse disconnect had burned out, preventing power from reaching the units.

Upon further investigation, it was determined that the issue occurred due to the age of the panel. A weakened spring in the contactor generated heat, which eventually melted the contactor, making replacement necessary.

**Analysis:** A temporary fix was implemented by the Electric Distribution Crew and Advantage Electric, allowing limited power to be restored. However, this solution is not sufficient to handle full electrical loads during peak usage (such as large events when all A/C units and sound/lighting equipment are in use).

Additionally, when BCI restarted the cooling units, only 5 of the 8 compressors came back online. Further repairs were needed to replace two 2nd stage contactors, which were completed on September 11, 2024, restoring full function.

**Financial Considerations:** Due to the age of the service, repair parts are no longer available. Stanion Wholesale Electric has provided a proposal to custom-build a new panel, which will include a new panelboard. The cost for this build is \$32,617.65.

Advantage Electric has submitted a proposal for installation, which will take 2-5 days and will require OMA to be without power during the process. The cost of installation is \$10,800.00.

**Legal Considerations:** No legal considerations have been identified beyond the necessity of ensuring compliance with electrical safety standards and maintaining operational reliability for OMA events.

**Recommendation/Action:** The custom-built panel has an estimated three-month lead time. The temporary fix currently in place will not be sufficient when all A/C units are needed alongside other electrical demands for major events. Delaying this project could result in system failure during peak usage, potentially impacting scheduled performances and rentals.

I respectfully request your approval to move forward with this necessary infrastructure investment to ensure the continued safe and efficient operation of OMA.

- Take Final Action at the March 5, 2025, Regular Meeting.
- Refer Item XI. E to the March 19, 2025, Regular Meeting for continued deliberation and consideration.

**Attachments:**

XI.E.1 Stanion Wholesale Proposal

XI.E.2 Advantage Electric Installation Proposal





Life Is On | Schneider  
Electric

**Prepared By:**

Richie Rose  
Stanion Wholesale Electric Co  
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Lawrence, KS 66047  
rrose@stanion.com  
D:(785) 841-8420

**Proposal Name:** Ottawa Memorial Auditorium Service

**Quote Name:** Ottawa Memorial - Add GFI on Main

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**Proposal Number:** P-240916-4740292

**Quote Number:** Q-5441398

**Quote Date:** 11/06/2024

**Through Addenda Number:** 0

**Sales Representative:** David Farmer

**Conditions of Sale**

*This Quotation is subject to Coordinated Project Terms. See <https://www.se.com/us/en/download/document/0100PL0043/>*

Quoted price in currencies other than U.S. Dollars is per the annual Schneider Electric exchange guidance.  
Quote is valid for 30 days. Quoted lead times are approximate and subject to change.

Schneider Electric reserves the right to amend, withdraw or otherwise alter this submission without penalty or charge as a result of any event beyond its control arising from or due to the current Covid-19 epidemic or events subsequent to this epidemic / pandemic including changes in laws, regulations, by laws or direction from a competent authority.

**Pricing**

**Total DISTRIBUTOR SELL PRICE**

**\$32,617.65**

Seq #	Qty	Product Description
1	1	<p><b>Designation : 1200A MCB PANEL</b></p> <p><b>Product Details :</b></p> <p>1 - ILINE MB PNLB (INT BOX TRIM)-I-Line Panelboard                      Consisting of                      208Y/120V 3Ph 4W 60Hz SCCR: 42kA                      Fully Rated                      SPD 240kA per Phase/120kA per Mode                      SPD line to grd protect                      w/SPD Surge Counter                      w/SPD Dry Contacts                      Suitable For Use As Service Entrance UL                      Single Main: 1200AS/1200AT/3P RG Circuit                      Breaker 100% Rated                      Main Trip Function: LSIG                      Main Trip Unit: Power Trip Unit                      Main Acc: Energy Reduction Maintenance                      Switch                      Incoming Conductors: 1 - (4) 3/0 - 500kcmil                      Bus: 1200A Rated Copper: Tin Plated                      CU Ground Bar                      108" of Mounting Inches                      Type 1,                      Incoming: Bottom Trim: Four-Piece Surface                      Box Cat No: Special Front Cat No: Special                      Ref. Drawing: PBA414 **SPL PBA REQ'D Type: HCR-U                      Feeders:                      3 - 400A/3P LG w/LI STD LI Prepared Space                      1 - 600AS/450AT/3P LG Std. LI 80%                      1 - 600AS/600AT/3P LG Std. LI 80%                      7 - 100A/3P HG Prepared Space                      2 - 100A/3P HG                      Optional Features:                      Ship Completely Assembled,Copper Solid                      Neutral,Temporary Fully Assembled Lead                      Time Extension,Copper Ground                      Bar,Standard Mains and Feeders                      Mechanically Restrained                      Branch User Placement                      Special: Supply N3R Box Separately</p>

Seq #	Qty	Product Description
2	1	<p><b>Designation :</b></p> <p><b>Product Details :HC4486WP-PNLBD ENCLOSURE/BOX T-3R/12 86H 44W</b></p>



**QUOTE**

11/7/24

City Of Ottawa  
C/O OMA  
Ottawa, KS

Quote is for labor to replace old exterior service with new.

**Quote includes:**

- Labor
- Permit fee

**Quote does not include:**

- Material (see attached gear quote)
- Utility fees

**Quote Amount.....\$10,800.00**

Due to commodity pricing, quote is only good for 30 days